

pacifist" but his activities and associations are not that respectable; he has called himself "Outside Agitator No. 1." He is also an intellectual and an eloquent and persuasive speaker. These things add up to danger when combined in the person of an important unelected bureaucrat.

[From the Washington Post, February 17, 1969]

#### FARMER CALLS FOR SLUM AID—EXPECTS NIXON WILL SUPPORT CORE'S PLAN

(By Robert C. Jensen)

Negro leader James Farmer said yesterday that he had "every expectation" that the Nixon Administration "will support" a billion-dollar-a-year legislative proposal pushed by CORE to promote "black capitalism" in the Nation's slums.

Farmer referred to legislation to create a national Community Development Bank that would guarantee and float loans to local development banks to finance business enterprises through Community Development Corporations in the city slums and poor rural areas.

Farmer is the founder and longtime director of the Congress of Racial Equality. He was chosen last week to be assistant secretary for administration in the Department of Health, Education and Welfare. He spoke yesterday on the CBS interview program "Face the Nation," carried here by WTOP.

Farmer noted on the program that President Nixon had spoken approvingly of various "black capitalism" programs for economic development during the campaign.

The Community Development Bank program, which was first proposed by CORE, has been introduced by a number of Senators and Representatives. It is being pushed most actively in Congress by Republican members. The cost is estimated to be \$1 billion a year for the first two years.

Farmer, who will take office about April 1, will be the highest ranking Negro in the Nixon Administration.

He comes as a registered member of the Liberal Party in New York, who ran unsuccessfully for Congress on the Republican and Liberal tickets and who endorsed the presidential candidacy of Democrat Hubert H. Humphrey.

He said his main job at HEW will be re-

cruiting qualified members of minority groups for important Government positions. He said he expected to have a strong staff at HEW that would handle the administrative details of his job, "while I concentrate on other things."

Farmer also said he expected to be "the prime adviser" to HEW Secretary Robert Finch on urban affairs and that he would be in liaison with the Urban Affairs Council in the White House and with Daniel P. Moynihan, the President's adviser on urban affairs.

The longtime civil rights leader said he did not think his acceptance of a post in the Nixon Administration would hurt his credibility with Negroes, who were overwhelmingly opposed to Mr. Nixon's election.

"I don't think I am an ambassador from the Administration to the black community," Farmer said. "I would put it the reverse way and say that I am an ambassador from the black community to the Administration—perhaps a little of both."

Farmer said he was not named to his post to win Negro voters to the Nixon Administration. "This is not one of my job descriptions at all," he said. He added that "I have made no commitments of campaigning for anyone yet."

But Farmer said if the Nixon Administration's "performance is meritorious, as far as the black community and other minority communities are concerned, then there will be a larger segment of those communities voting for the Administration."

He said he supported most demands being made by minority students at colleges for ethnic studies. But "I don't always agree with the tactics which are used," he said.

He indicated that he favored cutting off Federal scholarships and grants to students convicted of breaking laws during demonstrations.

"I think that anyone who breaks the law has to expect to suffer the consequences," Farmer said. "This has always been my belief, even the times I broke the law deliberately in Mississippi and elsewhere, when I went to jail for it. I did not say 'don't arrest me.'"

However, Farmer added that he thought each case must be considered on its own merits and the law should be enforced with "some flexibility."

[From the Chicago Tribune, Feb. 17, 1969]  
FARMER BACKS CAMPUS GOALS—BUT HE FROWNS UPON STUDENT TACTICS

(By Glen Elsasser)

WASHINGTON, February 16.—James Farmer, the highest ranking Negro in the Nixon administration, said today he sympathized with many demands black students were making on the nation's campuses, but not with their tactics.

In an interview on the television program, Face the Nation, the former national director of the Congress for Racial Equality said, "It is terribly important that official America and unofficial America understand the kinds of demands which are being made by the black community now."

#### PREFERS BLACK TEACHERS

Farmer, who last week was named assistant secretary for administration of the department of health, education, and welfare, said until recently the movement among Negroes was toward integration—color blindness. But the emphasis now, he observed, is on ethnic cohesiveness.

In the new departments of black studies, established on many campuses as a result of protests, Farmer believes it would be better that the classes are taught by blacks because of the polarization between blacks and whites in our society.

Farmer made it clear that protesters on the nation's campuses must face the consequences of breaking the law, including the loss of government financed scholarships. However, he said, "Each case must be decided on its own merits."

The most critical problems facing the Nixon administration, Farmer said, were the cities, improving the quality of education, and making sure that welfare reaches the poor and helps them get out of poverty.

Altho he received the support of the Republican party in an unsuccessful attempt for election to the House of Representatives from Brooklyn, Farmer said he was a member of the Liberal party in New York and not a registered Republican. He indicated he would take office here around April 1.

In his new job, Farmer said his major tasks would consist of recruiting qualified minorities, coordinating community action programs financed by the department of health, education, and welfare, and advising HEW on urban affairs.

## HOUSE OF REPRESENTATIVES—Wednesday, March 5, 1969

The House met at 12 o'clock noon.

Rabbi Chaim B. Seiger, Baron Hirsch Congregation, Memphis, Tenn., offered the following prayer:

*O continue Thy loving kindness unto them that know Thee; and Thy righteousness to the upright in heart.—Psalms 36: 11.*

קודשא בריך הוא, שכינתו ומלכותו, מליא כל ארעה ויו יקרה.

"May the Holy One, blessed be He, His divine presence, and His kingship abide in this place and fill this land."

O L-rd, Author of our lives and Giver of our wisdom, we seek Thy blessing. Let us do the right with loving kindness. Let us do the right with pride in our deeds and not in ourselves. Let us guide with courage that the hand of the wicked drive us not away. May we be the instruments of freedom and truth.

O G-d, as all men are precious unto Thee, so may they be precious unto us. As Thou seekest the good for all Thy children, so may we. May we prize highly and protect carefully the gifts of con-

science and principle that were handed to us from Sinai through Lexington and Concord. May we transmit these values and virtues to our children that they become their possession. Accept our service that we may achieve; that through us man may know an additional measure of freedom and security.

Upon the President and Vice President of these United States, upon this body of distinguished leaders, grant Thy blessing as spoken in the Psalm:

"O continue Thy loving kindness unto them that know Thee;

And Thy righteousness to the upright in heart.

Let not the hand of the wicked drive them away and give them to drink of the river of Thy pleasures."

May you mark these men of integrity and behold their uprightness for the future of these men shall be peace. Amen.

#### THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

#### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed a bill and concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 1022. An act to provide that future appointments to the office of Administrator of the Social and Rehabilitation Service, within the Department of Health, Education, and Welfare, and to certain subordinate offices, be made by the President, by and with the advice and consent of the Senate; and

S. Con. Res. 5. Concurrent resolution to print additional copies of hearings on the nomination of Walter J. Hickel to be Secretary of the Interior.

#### APPOINTMENT AS MEMBERS OF THE U.S. GROUP OF THE NORTH ATLANTIC ASSEMBLY

The SPEAKER. Pursuant to the provisions of section 1, Public Law 689, 84th Congress, as amended, the Chair appoints as members of the U.S. group of the

North Atlantic Assembly the following Members on the part of the House: Mr. HAYS, Chairman; Mr. RODINO, Mr. RIVERS, Mr. CLARK, Mr. BROOKS, Mr. ARENDS, Mr. BATES, Mr. FINDLEY, and Mr. QUIE.

#### RESIGNATION FROM COMMITTEES

The SPEAKER laid before the House the following resignation from committees:

HON. JOHN W. MCCORMACK,  
*The Speaker of the House,*  
U.S. Capitol, Washington, D.C.

DEAR MR. SPEAKER: I hereby submit my resignation as a member of both the Committee on Armed Services and the Committee on House Administration.

Respectfully yours,

CHARLES E. CHAMBERLAIN.

The SPEAKER. Without objection, the resignation will be accepted.  
There was no objection.

#### ELECTION TO COMMITTEE

MR. GERALD R. FORD. Mr. Speaker, I offer a privileged resolution (H. Res. 294) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 294

*Resolved*, That Charles E. Chamberlain, of Michigan, be and he is hereby elected a member of the standing committee of the House of Representatives on Ways and Means.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### RABBI DR. CHAIM B. SEIGER

(Mr. KUYKENDALL asked and was given permission to address the House for 1 minute.)

MR. KUYKENDALL. Mr. Speaker, the beautiful and inspiring invocation this day was delivered by Rabbi Dr. Chaim Seiger of Baron Hirsch Synagogue in Memphis, Tenn.

In every community there are a few leaders who stand far above the crowd. Dr. Seiger is one of these. He is a man of vision who sees a better Memphis and a better America, under God, for all our people. He is a man of compassion whose dedicated service to humane causes has brought about greater charity, greater spiritual understanding among all the people of our city.

Dr. Seiger is the senior rabbi of Baron Hirsch Temple, the largest orthodox Jewish congregation in the United States. He is a graduate of the Rabbinical Seminary of America and holds degrees from City College of New York City and Columbia University. He is the holder of the Prime Ministers Medal from the State of Israel for his humanitarian work among the people of Israel, from where he has just returned.

It is a privilege to count Dr. Seiger among those whom I represent from the Ninth District of Tennessee, but even more important it is good to have him as counselor and friend. I wish to express my thanks to him, and I know I speak for the whole House, for coming to us this morning with his words of wisdom and spiritual uplift.

#### PRESIDENT NIXON'S REPORT TO THE PEOPLE

(Mr. ARENDS asked and was given permission to address the House for 1 minute.)

MR. ARENDS. Mr. Speaker, last night the American people had opportunity to see and hear our President make his report to the people on his recent trip abroad. I have no doubt that millions across the country watched and listened. And I have no doubt that they were impressed, not only with the extent and depth of our President's knowledge but also with his complete frankness and sincerity.

To make certain that in his report to the people he would provide answers to all the questions they might want answered, President Nixon used an hour-long press conference rather than a carefully worded prepared text in making his report. He wanted to make certain that he reported to the people not what he might want them to hear, but what the people wanted to know, and what the people were entitled to know.

What this country has so sorely needed is a national leader in whom the people can have implicit confidence. To command confidence one must have confidence in himself and take the people into his confidence.

Last night we were privileged to see and hear such a man. I congratulate President Nixon on a sterling performance. He did not avoid or evade difficult questions, nor did he dodge or duck issues. He confidently took the people completely into his confidence.

#### THE UNITED NATIONS AND THE MIDDLE EAST

(Mr. BROWN of California asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

MR. BROWN of California. Mr. Speaker, the Middle East has replaced the Balkans as the tinderbox of the world. At any moment, a minor border incident could escalate into a full scale renewal of hostilities. Every day increases the chances of such a disaster. As time passes possibility becomes probability and, if the situation is permitted to continue indefinitely, probability becomes certainty.

Once escalation starts, who can say where it will end? Three times already we have been lucky—if any war can be spoken of as good fortune—because the great powers were not ensnared and apocalypse did not follow. A fourth time would push luck.

Indeed, considering the new Soviet presence in the Mediterranean, confrontation in a fourth Middle Eastern war would almost be a certainty.

The continued existence of mankind requires that peace, and not war, become the normal state of affairs in the Middle East. A first logical step toward that goal is to deny nations likely to be combatants further means with which to wage war.

In simple terms, arms shipments to the Middle East must stop.

I do not say that America alone should cease sending arms. Nor does it mean

that the United States should renege on agreements to sell warplanes to Israel. Peace will not result by rendering Israel incapable of self-defense.

By the same token, arming Israel and the Arab nations indefinitely is not the answer either. If the cold war has taught us nothing else it should have taught us that an arms race is no substitute for disarmament.

Suspension of arms shipments into the Middle East should be a keystone of American diplomacy. And the most fruitful course of action to achieve that objective is to refer the problem to the United Nations.

Such a move holds several distinct advantages over bilateral talks. First, bilateral talks could not include all potential arms suppliers. Second, bilateral agreements necessarily aim to cut flows at their source permitting the use of third parties to transship arms. A U.N. agreement would not suffer from this loophole.

Third, use of the U.N. as the implementing body would act to strengthen that organization's influence in the Middle East, making the United Nations better able to effect a lasting settlement. Fourth, acting through the United Nations would tend to decrease the possibility of a United States-Soviet confrontation. It would also decrease the possibility that any Middle Eastern nation would undertake some new adventure in the hope of receiving direct support from one of the great powers. And, finally, taking a long-range view, using the United Nations in this way may provide a precedent for the future cutting off early arms races in explosive areas, discouraging unilateral action or involvement by outside powers, isolating trouble spots and avoiding global ramifications.

It is to achieve these ends that I am introducing a resolution making it the sense of Congress that the President be requested to refer the Middle East armament question to the U.N. Security Council. I have been joined by 10 cosponsors, as follows: DANIEL E. BUTTON, SHIRLEY CHISHOLM, JOHN CONYERS, JR., EMILIO DADDARIO, HENRY GONZALEZ, AUGUSTUS F. HAWKINS, ROBERT KASTENMEIER, ROBERT LEGGETT, LIONEL VAN DERLIN, and GUS YATRON.

It must be remembered, however, that halting the Middle Eastern arms race only treats a symptom; it does not attack basic causes.

Admittedly, some causes are beyond reach. Many remaining are difficult and complex. But "a journey of a thousand miles begins with one step" and world peace demands that America make that first step.

We are not without tools, and the best tool is the United Nations.

Middle Eastern nations long have been beset by more than their share of disease, ignorance, and poverty. These are major sources of frustration and of smoldering discontent. In the Middle East such frustrations are often directed outward. Until progress can be made toward alleviating these curses, little chance exists of lasting peace in the Middle East.

It is well within American interest that there be peace in the Middle East, and it is also in our interest that re-



sources be allocated to help the Middle East. Yet direct bilateral aid would inevitably draw the United States into further Middle Eastern conflicts and I do not doubt that other powers would also soon become involved.

Once again the Middle East would become a battleground for the great powers. Nothing would have been gained, indeed, much may be lost. One answer is by multilateral aid through the United Nations. There would be no direct American involvement and the United States would not shoulder the entire burden of a development program.

From an economic point of view, much can be gained by using the politically neutral and technically competent United Nations development program. Long-range, integrated plans are easier to implement through an international agency; economics is not wholly sacrificed to politics, long-term change not sacrificed to short-run impact.

To assure that development plans are truly regional and to give due consideration to needs of the affected nations, I suggest that the U.N. establish an Economic Development Commission for the Middle East.

Like comparable commissions in other regions of the world, the Middle East Commission would be a planning body composed of representatives from all interested nations in the region. In this way Middle Eastern nations would find themselves compelled to cooperate for their own good. Hopefully, from this small overlapping of interests, a somewhat better overall climate will bloom.

Therefore, as a companion measure to the arms race resolution, I am also introducing a second resolution urging the President to act so that our representative to the United Nations proposes formation of a U.N. Economic Commission for the Middle East. I am being joined in introducing this resolution with the following nine cosponsors: DANIEL E. BUTTON, SHIRLEY CHISHOLM, JOHN CONYERS, JR., EMILIO DADDARIO, HENRY GONZALEZ, AUGUSTUS F. HAWKINS, ROBERT KASTENMEIER, ROBERT LEGGETT, and GUS YATRON.

The resolution has another major intent. It suggests that all American aid to the Middle East be channeled through the U.N. development program.

Of all the socioeconomic problems in the Mideast, the plight of the Arab refugees ranks as the most pressing. Settlement of their status is often regarded as a prerequisite for peace. The exact political nature of such a settlement must, of course, be worked out by the parties to the dispute. And I would again emphasize that no outside group of nations should seek to impose any settlement, on any issue, on Middle East countries.

The United States and the United Nations can ease difficulties surrounding a settlement by removing major economic stumbling blocks. Through the UN development program Arab States can be given financial assistance in resettling refugees. At the same time, Israel can be aided in paying compensation to those Arabs who lost holdings in Israel.

All these measures have valuable secondary effects. They increase both the

prestige and the potency of the UN. Certainly, the United Nations which commands respect and consideration as a real force in the world has a much better chance of achieving peace in the Middle East.

Indeed, peace in the Middle East must be a basic element of U.S. foreign policy. Our commitment to the continued existence of Israel is firm. There can be no question of that.

From a purely pragmatic point of view, in order to uphold this commitment, it is obvious that no solution is possible in the Middle East without, at least, some accommodation of the legitimate interests of the Arab States. I firmly believe that the best way for the United States to pursue a reasonable and equitable policy is to utilize the United Nations as the primary instrument for achieving peace, tranquillity, security, and justice for all the peoples in this unhappy region.

#### A FAIR SHAKE FOR THE MIDDLE CLASS TAXPAYER

(Mr. KOCH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOCH. Mr. Speaker, I am deeply concerned with the gross inequities which have accumulated over the years in our Nation's taxing system.

The middle class, largely dependent on wages and salaries, bears the main burden of the system's inequities. The middle class citizen pays more taxes because he does not have the resources, nor the opportunity, to invest in and reap the artificial benefits of complicated real estate ventures, orange groves, cattle herds, airplanes and the other esoteric luxuries of the tax-conscious upper class.

Because of the growing disillusionment concerning the tax system's fairness, we are, it is predicted, on the edge of a taxpayers' revolt, not based on a refusal to pay taxes but based on a feeling that the middle class is paying the taxes of wealthier individuals who have mastered the many artifices of tax avoidance.

This crisis causes me to focus on one of the more glaring points of discrimination in the tax code, which particularly prejudices the middle class urban taxpayer. A homeowner or owner of a co-operative apartment are both permitted income tax deductions for property taxes paid on their house or apartment and interest paid on the house or apartment mortgage. These deductions are allowed as exceptions to the general rule that personal or living expenses are not deductible. Tenants, on the other hand, get no such tax deductions.

This arbitrary discrimination in favor of homeowners operates to the particular disadvantage of the city dweller where renting is the rule and homeownership the exception.

I believe it is time to place the ordinary tenant on an equal footing with homeowners by permitting the tenant a comparable tax deduction for that part of his rent that pays for the property taxes and mortgage interest levied on his apartment building.

I wholeheartedly support and am sponsoring legislative measures to close

the tax loopholes through which the wealthy escape, leaving the middle class to pay the bill. When the day comes that everyone pays his fair share of the taxes needed, those of us now bearing the major burden will pay less.

It is only fair that while closing these loopholes which favor the wealthy who need help the least, this Congress should provide some tax deductions which benefit middle class urban tenants who need help the most.

#### ANNUNZIO URGES NAMING OF ENRICO FERMI NUCLEAR ACCELERATOR

(Mr. ANNUNZIO asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. ANNUNZIO. Mr. Speaker, in the 90th Congress, and again in the 91st Congress, I introduced legislation to provide that the nuclear accelerator at Weston, Ill., be named "The Enrico Fermi Nuclear Accelerator" in memory of the late Dr. Enrico Fermi.

I can think of no recognition more appropriate than this to honor the memory of one of the world's greatest atomic physicists whose experiments resulted in the first self-sustaining nuclear chain reaction ever to take place.

Thirty years ago last December 10, Dr. Enrico Fermi received the Nobel Prize for physics from the hands of the King of Sweden. The discovery meriting this prize was the existence of new radioactive elements produced by neutron irradiation, and the related discovery of nuclear reactions brought about by slow neutrons. A whole new field of science and technology was opened by these discoveries.

But Fermi did not return to Italy with his prize. The Fascist racial laws of 1938 which affected his wife and her relatives, deeply offended his sense of fairness. So he fled to the United States where he arrived on January 2, 1939. He found his first refuge in Columbia University. Later he was to work at the University of Chicago, at Los Alamos and back at Chicago where he died on November 28, 1954, shortly after his 53d birthday.

Once the rumor spread that Fermi would stay in the United States, several universities made him excellent offers. He chose to join Columbia University where he had personal acquaintances. He and his fellow physicists Rosetti, Segre, and Amaldi had worked there.

During those 16 years from December 1938 to November 1954, he was to earn the gratitude and admiration of the entire free world for his brilliant contributions to nuclear physics and development of the atomic bomb. I know that today some people, particularly university students, decry research in aid of the military. I wish they could but realize how much Fermi's research, his discoveries, his application of his knowledge for the defense of his adopted land derived from his personal knowledge of an oppressive and regimented society.

Enrico Fermi as an example for our modern students, however, is the subject of another occasion.

At the end of his life in America, Pro-

Professor Fermi was honored as the first recipient of a new award that Congress authorized under the Atomic Energy Act of 1954 for "especially meritorious contribution to the development, use, and control of atomic energy."

A few brief weeks later, Fermi was dead.

Dr. I. Rabi wrote in tribute of Professor Fermi that he was one of those rare personalities in the history of physics whose gifts included great talent for theory and experiment.

As such—

Wrote Dr. Rabi—

he was of the great line of Archimedes, Galileo, Newton, Benjamin Franklin and Heinrich Hertz.

Chairman Strauss of the Atomic Energy Commission praised Professor Fermi as "the true architect of the atomic age," and announced that the special AEC award would thereafter be known as the Fermi Award.

Emilio Segre, his longtime associate, wrote of Fermi that:

He gave to science all he had and with him disappeared the last universal physicist in the tradition of the great men of the 19th century, when it was still possible for a single person to reach the highest summits, both in theory and experiment, and to dominate in all fields of physics.

Now, 14 years later, the Nation has had ample opportunity to realize the full debt of gratitude and appreciation and recognition that it owes to this giant among those other giants who include da Vinci, Avogadro, Galvani, Grimaldi and Galileo.

It is time that we do so.

Because of his brilliant research into the nature of the innermost secrets of the atom; because of his ingenious and productive use of those new tools of research, radioactive materials, the nuclear reactor and the particle accelerator; because of his wartime contribution to the atom bomb project; because of his extraordinary example of intellectual excellence; because of these and many other excellent reasons, we as a nation owe it to him to commemorate his achievements not in an exhibit, or with a sterile monument but with a working tool of scientific research that can and will enable man to further extend the frontiers of knowledge.

For these compelling reasons I introduced last year a bill to name the 200-Bev particle accelerator to be built at Weston, Ill., the Enrico Fermi Nuclear Accelerator.

At the opening of this 91st Congress I reintroduced that bill as H.R. 391.

Today I would further show why this proposed recognition of Professor Fermi is timely, appropriate, and deserving of favorable action by a grateful Nation's legislature.

To do so, I would first say something more of Professor Fermi's life and achievements, then highlight the purpose and nature of the 200-Bev machine. I hope you too will see the compelling force and logic of dedicating this new tool of science to Enrico Fermi.

SOME THOUGHTS ON ENRICO FERMI AND PARTICLE PHYSICS

From his early days in Italy as an experimental physicist, Enrico Fermi was

fascinated with the minute particles of modern physics. Neutrons, electrons, protons and, later, the heavier particles provided him with means to ask questions of nature, and his observation of his experiments gave him many answers which he could record for posterity. Some of these particles he obtained from electrical apparatus. Some from a piece of radium that flung off speeding particles that he could use for his experiments. As an experimenter with these nuclear particles, he naturally was interested in design and use of sources for them. His interest in accelerators, then, and his success in using them to probe for the secrets of nature alone would be ample reason to dedicate the Weston accelerator to his name.

The Nation's more immediate reason to commemorate Enrico Fermi is, as many high school students now learn, his achievement in leading the team of scientists and engineers who built and brought into operation the first nuclear reactor which demonstrated a controlled nuclear chain reaction. While the story of this remarkable achievement, which took place at the University of Chicago, has been well recorded for history, it is pertinent to recall briefly its highlights for, without proof that the chain reaction among uranium atoms could occur, there would have been no atom bomb, and no Manhattan project.

The principal fact of science which underlies use of atomic energy, whether it be for peace or for war, as a continuing source of energy or as an explosive, is the fact that under certain conditions atoms of uranium and plutonium will fission, or split apart, with the release of energy. The physical mechanism for practical release of this fission energy is the chain reaction which Fermi demonstrated. With hindsight, his demonstration may seem simple, even primitive in comparison with the sophisticated and elegant devices of this day that employ the chain reaction. But at that time the outcome was far from sure for many practical unknowns could have prevented attainment of what in theory was possible.

I would like to begin the story of Fermi's part in the conclusive demonstration of the nuclear chain reaction with the year 1939. In January 1939, the famous nuclear physicist Niels Bohr visited the United States, only a few days after Fermi had fled from Italy. Fermi already had established himself at Columbia University. The cyclotron there promised to be a powerful new tool for new experiments in nuclear physics. At the time, Fermi was without doubt the greatest expert on neutrons.

Fermi had hardly arrived in the United States when the discovery of fission of uranium took place. The famous Bohr brought the news with him. Upon arriving in New York, Bohr hurried to Columbia University to discuss the new discovery with Fermi.

Fermi saw directly that in so violent a nuclear reaction, neutrons might be released too. If the arrangement were such that the emitted neutrons could produce further fissions, the process might become multiplicative. If circumstances were favorable enough, a chain reaction might be obtained. This was

shortly before Bohr and Fermi were to open the Fifth Washington Conference on Theoretical Physics. In that brief time Fermi and a graduate student quickly modified experimental apparatus to confirm Bohr's news. At the conference the next day Fermi was able to speak of the fission process with the conviction of personal experience.

By the time Fermi returned to Columbia the next day, Fermi knew what questions he wanted to answer. Were neutrons emitted in the fission of uranium? If so, in what numbers? How could these neutrons be brought to produce further fissions? What other processes might compete for these neutrons? Could a chain reaction be developed. Fermi began to answer these questions in a letter of February 16, 1939, to *Physical Review* on the fission of uranium. That spring he gathered together his research group, including Walter H. Zinn, Leo Szilard—a Hungarian scientist who had come without benefit of a faculty appointment to work with Fermi, and Herbert L. Anderson, his gifted graduate student and future associate.

Fermi and his group continued their neutron work at Columbia until the summer of 1942 when they moved to the University of Chicago to work more closely with the new Manhattan project. In May of that year the decision was made to build one or more full scale nuclear reactors to produce the artificial element of atomic number 94 at a cost of \$25 million. This decision was made in anticipation that Fermi would successfully demonstrate a chain reaction in Chicago.

During the summer of 1942 Fermi planned the construction of a small reactor capable of a chain reaction of a few hundred watts energy output. As his plans evolved, he realized that such a novel and possibly dangerous experiment should not be carried out in the heart of one of the Nation's cities. That September it was decided to move Fermi's reactor—or pile—from the squash court of the university's Stag Field to the Argonne Forest Preserve. But this move was plagued with troubles. Labor disputes delayed the completion of a building at Argonne. Rather than lose time, Fermi thought that he could assemble his pile at Stag Field before space would be ready in Argonne. He convinced Arthur Compton of the University of Chicago that the experiment was safe.

Not daring to seek approval from either the Army, which by then had taken over administration of the atom bomb project, or from the university administration, Compton took it upon himself to authorize Fermi to go ahead.

Time was short. General Groves had appointed a special committee to review Compton's entire project at Chicago, which included Fermi's work. The situation was critical. Unless the review committee could be convinced to share Compton and Fermi's optimism, the work of the reactor might be wasted. By recruiting all available help, Fermi and his team set about the arduous task of machining 40,000 blocks of graphite, and assembling them with blocks of uranium metal and oxide into the necessary form.

The review committee was convinced. Thanksgiving, 1942. Fermi was not ready.



The committee returned to Chicago on December 2. The pile was finished the night before. At 9:45 on the morning of December 2, Fermi began to withdraw the first of the control rods that governed the pile. Before noon he was able to invite Compton and a committee representative to witness the final phases of the experiment. Finally, at 3:20 p.m., Fermi's instruments indicated a self-sustaining nuclear chain reaction had been attained.

The review committee was convinced. Based on its recommendations, the Manhattan project decided to build with the utmost speed and highest priority the plutonium production reactors that were to cost \$100 million.

Writing of this experiment some 20 years later, Eugene Wigner, one of the participants, said:

Do we then exaggerate the importance of Fermi's famous experiment? I may have thought so sometime in the past, but do not believe it now. The experiment was the culmination of the last doubts in the information on which our further work had to depend had a decisive influence on our effectiveness in tackling the second problem of the Chicago project: the design and realization of a large-scale reactor to produce the nuclear explosive plutonium. This objective could now be pursued with all the energy and imagination which the project could muster.

Fermi stayed at Chicago until the next spring when his group moved out to what is now the Argonne National Laboratory. He continued on with his work. Within 2 years of the Stagg Field demonstration, the initial power run of the first plutonium production reactor began. The time was a few minutes after midnight on September 27, 1944. The place was the Manhattan District's Hanford Works in the State of Washington. Fermi was there to supervise and check the operation.

Fermi's work with the Manhattan District did not stop here. Leaving the scenes of his monumental accomplishments, he went to Los Alamos where he turned his powerful mind to the question of a thermonuclear bomb. Someday I hope the history of his contribution to that mighty item in our Nation's armory can be adequately acknowledged.

In August 1945, Japan surrendered and thus ended the Second World War. The scientists at Los Alamos, Fermi included, began thinking of peacetime research. Fermi was still on leave of absence from Columbia University, but just at that time the University of Chicago began to organize its Institute for Nuclear Studies, which later was to become the Fermi Institute for Nuclear Studies. The university repeatedly offered Fermi the directorship, but he was interested in research, not administration. He resolutely refused. Fortunately Prof. S. K. Allison, a distinguished and a very able administrator and a good friend of Fermi, was appointed director of the institute and Fermi then joined as a research scientist. And at the new institute would be a large and powerful synchrocyclotron, which was being built across the street from the old squash court at Stagg Field. This machine was built with the idea that Fermi would be the principal user.

Fermi returned to Chicago on January

2, 1946. While waiting for the synchrocyclotron to be finished, he again worked with neutrons at the Argonne Laboratory, using its reactor as a source. This period at Argonne marked the end of his investigations on neutrons which traced back to his initial work in Rome.

Fermi formed a new group of young pupils, many of them returning from Los Alamos. At Chicago he was active in all seminars and in many discussions. Often, with a single remark, he sowed the seeds of further discovery. For instance, Maria Mayer in reporting an experiment inspired by Fermi generously acknowledged his assistance.

Meanwhile the stage was readying for the last period of Fermi's research. Meson physics was opening and Fermi immediately recognized its importance. Since the new Chicago synchrocyclotron promised a powerful artificial source of mesons, Fermi's experimental talents turned in this direction.

The new machine began operations in the spring of 1951, and he and his group soon were publishing new discoveries. He did his last experiment in 1953, and his paper on "Scattering of Negative Pions by Hydrogen" of that year concluded his experimental work. Thereafter, Fermi spent more and more time helping his students by discussion and frequently lending a hand in their experiments, but never again to the extent that would allow him to admit that the work was his own.

Thus freed from the demands of experimental work, he could consider the possibility of working together with the Indian scientist Chandrasekhar on problems of astrophysical interest, related to his long standing interest in cosmic rays. His new colleague was later to write of Fermi's intuitive insight into nuclear physics:

During all my discussions with Fermi, I never failed to marvel at the ease and clarity with which he analyzed novel situations in fields in which, one might have supposed, he was not familiar and, indeed, was often not familiar prior to the discussion. In the manner in which he reacted to a new problem, he always gave me the impression of a musician who, when presented with a new piece of music, at once plays it with a perception and a discernment which one would normally associate only with long practice and study.

Chandrasekhar also gives us this further insight into Fermi's magnificent feel for nuclear physics and the psychology of his inventive genius. Fermi had described to him how he came to make the discovery which Fermi thought was the most important one he had made, when he was working with neutrons in his early days in Italy. This is Fermi's account:

One day, as I came to the laboratory, it occurred to me that I should examine the effect of placing a piece of lead before the incident neutrons. And instead of my usual custom, I took great pains to have the piece of lead precisely machined. I was clearly dissatisfied with something: I tried every "excuse" to postpone putting the piece of lead in its place. When finally, with some reluctance, I was going to put it in its place, I said to myself, "No! I do not want this piece of lead here; what I want is a piece of paraffin." It was just like that: with no advanced warning, no conscious, prior, reasoning. I

immediately took some odd piece of paraffin I could put my hands on and placed it where the piece of lead was to have been.

Mr. Speaker, these few but telling insights into Fermi's work, these evidences of his genius, when coupled with the lasting and vital significance of what he accomplished for this country constitute the necessary and sufficient reasons, as our mathematical friends would say, to dedicate the Weston machine to the memory of Enrico Fermi.

#### THE PURPOSE OF THE 200-BEV. ACCELERATOR

Consider the purpose of the new accelerator and the questions that our scientists can put to nature with its energetic particles. Dr. Robert R. Wilson, director of the project, looks at the many particles discovered through use of less energetic particles. That nature thereby revealed is more complex than first expected, he reminds us, is a challenge rather than a disappointment. In building higher energy machines to study these complexities, all kinds of exciting and fundamental discoveries have been made. Not only have various new particles been observed, but also new physical laws have been discovered while old ones have been observed to be violated. In previous studies of the nucleus—where Fermi was a masterful leader—physicists were able to understand why the stars shine and how matter is made.

Dr. Wilson eloquently reminds us that pure science, the search for understanding, is as important for its effect on the minds of men as it is for its eventual contributions to his standard of living:

Man's effort to achieve a better comprehension of the world in which he lives will continue to have a profound effect not only on his philosophy, not only on his well-being, but also on his whole social organization.

What are some of the questions that scientists can put to nature with the new machine when it is finished? These fortunate men will be in the same happy situation as was Fermi when the Chicago synchrocyclotron came on-line in 1951. Dr. Wilson lists some of these questions:

Which, if any, of the particles that have so far been discovered, is, in fact, elementary, and is there any validity in the concept of the "elementary" particles?

What new particles can be made at energies that have not yet been reached? Is there some set of building blocks that is still more fundamental than the neutron and the proton?

Do the laws of electromagnetic radiation, which are now known to hold over an enormous range of lengths and frequencies, continue to hold in the wave length domain characteristic of subnuclear particles?

These are some of the questions that scientists in nuclear physics would explore. There is good reason to believe that they can be clarified by experiments. Although these are questions that appear to be the "right" ones to investigate, the best questions have undoubtedly not yet been asked. Only further experiment with the Batavia machine will give us the insight to ask them. Nature in the past has always surprised us. It is probable, as our scientists take the step up to the 200-Bev. machine, that more surprises await.

Enrico Fermi were he with us today

would be chaffing impatiently to ask these questions of nature and to interpret her answer.

Enrico Fermi was a great experimentalist. He had a deep and intuitive insight into nature. Working with the Weston machine will demand the greatest insight and ability to see in the experimental returns new relations, new facts that can escape the comprehension of the less gifted. Above all, Fermi was a great teacher. The full return on the Nation's pending investment in the Weston accelerator will be realized only as its scientists can emulate Fermi in his ability to teach, to simplify, to lay out for their students and associates the strange beauties of the worlds of the atoms.

Mr. Speaker, I have laid out my reasons why the new 200-Bev. accelerator should be dedicated to Enrico Fermi and I hope that you and our fellow Members of Congress will give your support to H.R. 391.

#### EX-AMERICAN HANDLES MOB MONEY IN SWITZERLAND

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, the New York Times on Sunday, March 2, 1969, published a story entitled "Ex-Bootlegger Manages Money in Swiss Banks for U.S. Mobs." The story refers to one John Pullman, who was associated for many years with Meyer Lansky, described as "reputedly the most powerful non-Italian associate of the Mafia." According to the story, Mr. Pullman has renounced his U.S. citizenship and now lives in Switzerland where he manages the flow of millions of dollars from organized crime in America in and out of coded Swiss bank accounts.

For the past few months the House Committee on Banking and Currency has been looking into the use of foreign banking facilities operating in jurisdictions with strong secrecy laws as a device for aiding and abetting various schemes which are violative of American law. The case of Mr. Pullman is but another chapter in this sordid story. The committee is not only concerned about the activities of organized crime, but also the use of these foreign banking facilities by an ever-growing number of Americans who are breaking our laws. One estimate of the resulting tax loss to the United States runs into hundreds of millions of dollars. Secret bank accounts make it virtually impossible for American law-enforcement authorities to bring violators to justice.

As previously announced, I will introduce legislation which seeks to limit the use of the secret foreign bank device.

The above referred to article from the New York Times is included at this point:

EX-BOOTLEGGER MANAGES MONEY IN SWISS BANKS FOR U.S. MOBS  
(By Charles Grutzner)

A 67-year-old former bootlegger who renounced his United States citizenship sits behind a desk in Switzerland and manages the flow of millions of dollars from organized crime in America into and out of coded

Swiss bank accounts, according to Federal officials.

The money mover has been identified by Federal investigators here as John Pullman, who was associated for many years with the racketeer Meyer Lansky after the repeal of Prohibition. He is said to know how the profits of gambling, loan sharking and other rackets are poured into secret Swiss accounts and come back as "clean" money.

The cleansed profits, which sometimes return to their American depositors as loans from their own secret Swiss accounts, are then invested in legitimate businesses and real-estate purchases here, the authorities say.

Pullman's operations in Lausanne do not violate any Swiss law. No charges are on file against him in the United States, but several government agencies here keep informed about his visitors and his trips between Europe and Canada.

Although Pullman keeps out of subpoena reach by his voluntary exile from the United States, Federal investigators have traced some of his transactions that involve American banks and brokerage houses and several Swiss banks.

United States Attorney Robert M. Morgenthau, when asked about Pullman's role in international finance, said:

"John Pullman was for years a courier for the mob. Now he handles their investments for them through Swiss bank accounts."

Mr. Morgenthau, interviewed in the Federal Court House at Foley Square, declined to be more specific about Pullman's activities because the former bootlegger is involved in an investigation into the real ownership of some of the funds in the coded Swiss bank accounts.

"Until recently this form of bank dealing had been a safe operation for organized criminals," Mr. Morgenthau said. "We have turned up some promising information we are not yet ready to disclose."

"We know that several Swiss banks are wholly or partially owned by Americans, some of whom have ties with organized crime. These banks maintain accounts running into millions of dollars with New York banks and brokerage firms."

#### RAN RUM WITH LANSKY

From government sources here, in Canada and in the Bahamas, some of Pullman's background has been pieced together. Pullman, who was born in Russia, Sept. 19, 1901, first came to the attention of American law-enforcement authorities as a member of Lansky's rum-running and bootleg-liquor distribution operation. He was sentenced in 1931 to 15 months in the Federal reformatory at Chillicothe, Ohio, for violation of the National Prohibition Act. So far as is known, that was his only conviction.

As Lansky, reputedly the most powerful non-Italian associate of the Mafia, expanded his gambling operations into the casinos of Florida, Louisiana, Nevada and Cuba, and into real estate, night clubs and other enterprises, Pullman moved up in racketeer circles with him, the authorities said.

Pullman, who has a sallow complexion, blue eyes and a prominent nose, stands 5 feet 6 inches tall and weighs about 155 pounds. His hair, once brown, has turned gray.

Early in their association, Pullman, who is known to his American associates as Jack, is said to have impressed Lansky with his mathematical aptitude and sharp mind for business dealings.

On Lansky's recommendation, according to government sources, he became a courier for the illegal "skim" from the proceeds of legal gambling in Las Vegas. Eventually he became banking technician for other members of organized crime, the sources said. He traveled frequently to Switzerland and became a solicitor of new accounts for several Swiss banks.

Pullman became a naturalized American

citizen in 1943 in Chicago. But five years later he assertedly found it advantageous to travel on a Canadian passport. He went to Canada, obtained landed immigrant status, and then obtained Canadian citizenship.

By 1964 he was a permanent resident of Lausanne, where, the authorities said, he established associations with Swiss lawyers who set up Liechtenstein trusts and companies in Panama and elsewhere through which money is shuttled for the benefit of the real owners.

He could not be reached yesterday for comment.

There is no legal limit on the amount of money a traveler may take out of the United States, and some of the racket profits are taken in cash by couriers to the Swiss banks.

Much of the money is funneled to Swiss banks through dummy corporations, a system that is regarded as safer than using couriers, in part because it is devious enough to make it difficult for tax agents and other government investigators to trace.

On the return route, when the money comes as a loan from a racketeer's own anonymous Swiss account, the borrower-lender takes an income tax deduction on the interest he pays on his borrowing. But he avoids tax payments on the interest accruing to his Swiss account.

The "clean" money is often used for investment in legitimate businesses here. In some cases, where the legitimate businessmen may already be in debt to loan sharks, they have no choice but to accept a known or suspected racketeer as a partner.

In other cases, the legitimate businessmen do not know that their new partners are members of organized crime until they start using underworld practices to harass competitors, bribe public officials or siphon off company funds.

The Internal Revenue Service would like to learn whether Pullman knows the whereabouts of the fortune of the late Mafia boss Vito Genovese, estimated by one Federal official at \$30-million. Genovese's visible estate, like those of other bosses of organized crime that the Government has sought to tax, shows only the minimal amount he had acknowledged as legitimate income.

#### WATCHED BY FBI

The Federal Bureau of Investigation kept Pullman under close surveillance when he was in Florida, Las Vegas and other cities. The Canadian Royal Mounted Police shadows him on his visits to Canada, which coincide, officials said, with excursions by leaders of organized crime to this country to Toronto, where Pullman's brother-in-law has law offices.

According to official sources, on one such visit, Pullman was told by an associate that Lansky was seriously ill. Mr. Pullman is said to have chuckled and remarked:

"I've got 250 grand of the little guy's money that I haven't banked yet. So, I'm not going to get hurt."

According to investigators Pullman has risen from an underling in Lansky's bootleg business to a position of power from which he directs the fortunes of the underworld.

Records in the Registrar General's office in Nassau, the Bahamas, show that Pullman was president and holder of 2,000 shares of stock in the World Bank of Commerce, organized there in 1961.

Federal agents say that Pullman, who has become wealthy in his own right, moves in international society and acts as social guide, as well as financial technician, for American racket bosses when they visit Europe.

#### THE ST. LOUIS GLOBE-DEMOCRAT SPEAKS OUT AGAINST HIGH-INTEREST RATES

(Mr. PATMAN asked and was given permission to extend his remarks at this



point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, last week I charged Federal Reserve Board Chairman William McChesney Martin with being the most costly public official in the history of the world.

Since that time, Mr. Speaker, many people from many sections of the country have written me expressing support for this viewpoint and stating their firm opposition to the current high level of interest rates.

Mr. Speaker, indicative of this sentiment is an editorial from the St. Louis Globe-Democrat of Friday, February 28. The editorial states:

Interest rates are much too high. They should be brought down as soon as possible. If they are increased again, we predict the increase will be self-defeating.

Today, the American people are paying billions of dollars in excess interest charges due to the mistaken policies of Mr. Martin and the Federal Reserve Board. In fact, since 1951, when Mr. Martin became Chairman, the American people have paid nearly \$250 billion in excess interest charges on public and private debt.

Mr. Speaker, I place in the RECORD a copy of the editorial from the St. Louis Globe-Democrat:

#### HIGH INTEREST COULD BRING RECESSION

Rep. Wright Patman of Texas, perennial foe of high interest rates, may have overstated the case when he warned Federal Reserve Board Chairman William McChesney Martin about skyrocketing interest rates.

But we believe that Rep. Patman was expressing what many middle-income and lower-income Americans have felt for some time when he admonished Martin that people won't be able to afford the high interest on loans if the rates keep going up.

Chairman Martin, bankers and other money managers talk about "tightening credit" and "cooling off the economy" but do they really know what the effect of higher interest rates is having on many Americans who must pay these exorbitant interest costs?

Unless people can borrow money at decent interest rates, there is a real possibility that sky-high interest charges could bring on a serious recession, if not the depression that Patman predicts.

The threat of ever-higher money costs puts a dark cloud over the future.

It would be better to put on wage-price controls and lower interest costs than to allow interest rates to spiral to the point where the home-building and construction industries would be crippled.

President Nixon had better use his influence to stop the planned increase in the prime lending rate that Eastern banking houses reportedly are on the verge of announcing. If he doesn't, the same big money interests in the East which opposed his nomination could be instrumental in sending our economy into a tailspin.

Interest rates are much too high. They should be brought down as soon as possible. If they are increased again, we predict the increase will be self-defeating.

The reaction will be so strong that emergency measures may be necessary to head off a dangerous recession.

#### AFL-CIO EXECUTIVE COUNCIL ON THE UNIFORM CONSUMER CREDIT CODE

(Mr. PATMAN asked and was given permission to extend his remarks at this

point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, on February 17, 1969, at its midwinter meeting, the AFL-CIO Executive Council adopted a statement outlining its objections to the Uniform Consumer Credit Code. This code, which was paid for mainly by the credit industry, is a proposed model State law which is currently undergoing a heavy pressure campaign for its passage in the various State legislatures.

The AFL-CIO Executive Council's principal objections to the code center on the high maximum interest rates permitted—up to 36 percent a year; the provision for rates of interest as high as 10 percent on first mortgages; the provision for garnishment of up to 25 percent of wages; and the general attitude on the part of the code's supporters that it should be adopted as a package, regardless of whether it is an improvement over existing State laws.

Because it represents 13 million members and their families, the AFL-CIO statement cannot be taken lightly. The AFL-CIO has been joined by other prestigious consumer organizations such as the CUNA International and the Consumer Federation of America in its opposition to the proposed code as it now exists.

The council's action was not the result of any precipitous judgment. It is accompanied by a detailed analysis of the code and its more salient provisions. This is also included in the RECORD at the end of these remarks.

I congratulate Mr. Meany and the AFL-CIO Executive Council on an exceptionally fine statement and commend it to the Members of Congress.

The above-mentioned material follows:

STATEMENT BY THE AFL-CIO EXECUTIVE COUNCIL ON THE UNIFORM CONSUMER CREDIT CODE, BAL HARBOUR, FLA., FEBRUARY 17, 1969

We have carefully examined the Uniform Consumer Credit Code, a "model state law" which has been prepared for introduction in the 47 state legislatures meeting in 1969.

UCCC would repeal and replace virtually all existing state laws relating to consumer credit. Sponsored by the National Conference of Commissioners on Uniform State Laws, it is offered for adoption as a "package," without amendment. The sponsors urge immediate enactment, despite the fact that the Code is a lengthy, complex, and sweeping legislative proposal. The public has had little opportunity to evaluate either its general impact or its specific provisions.

The Code is not essentially a "consumer statute" but seeks to compromise consumer and creditor interests. While it would make a number of desirable reforms in behalf of the consumer, which should be supported, it also contains serious drawbacks from a consumer point of view.

For this reason we cannot endorse the Code in its present form for enactment as a uniform law throughout the United States.

Our principal objections are as follows:

(1) We are shocked by the extraordinarily high finance charge ceilings authorized by the Code, ranging from 18 to 36 percent per year for installment loans and credit, and believe that they would inevitably result in exorbitantly high credit costs for borrowers and credit buyers.

(2) We cannot concur in the excessive rate of 10 percent per year, which would be permitted on first mortgages.

(3) We are dissatisfied with the provisions on wage garnishment which could, if care is

not taken, result in reduction of existing protections for wage earners in a number of states. We cannot in any case endorse a "take" by creditors as high as 25 percent of a person's wages.

(4) We are alarmed at the general repeal contemplated by the Code of present state consumer credit legislation regardless of whether it is superior to Code provisions or covers subjects not covered in the Code.

The possible impact of Code enactment would vary in each of the 50 states. Each state will need to make a careful assessment of its existing legislation in comparison with Code provisions.

In states with a large body of existing legislation, state AFL-CIO central bodies will probably find it best to reject the Code and instead seek improvements in their present laws, borrowing good features from the Code where appropriate.

In states with little or very deficient legislation, state central bodies may find it advisable to start with the Code as a working basis, but should seek amendment of its worst features.

In any case, precipitous enactment of the Code on an "as is" package basis should be rejected, as well as deviant forms, containing even worse features, which are likely to be introduced in some of the legislatures.

At the national level, the AFL-CIO staff will render whatever assistance it can to state bodies in connection with UCCC. We will also pursue abatement of consumer credit evils through federal legislation, wherever it is possible and appropriate. The door should not be shut on consumer credit reform through federal action. Enactment of federal minimum standards in the consumer credit field may in fact be necessary to reach the states in which reform is most needed and where creditor lobbies are most likely to succeed in blocking it.

#### BACKGROUND STATEMENT ON UNIFORM CONSUMER CREDIT CODE

The Uniform Consumer Credit Code (UCCC) is a type of "model state law" developed by the National Conference of Commissioners on Uniform State Laws. It was officially promulgated by the Conference on July 30, 1968, and subsequently endorsed, on August 7, 1968, by the American Bar Association. The Code has been in process since 1964, although much of the final text was prepared in 1968 to take account of the Federal Consumer Credit Protection Act, which was signed by the President on May 29, 1968.

Since the original text was released, the Code has undergone additional revisions. The current version of the Code is the "Revised Final Draft, November 1968," published in December 1968.

UCCC is designed as a replacement for virtually all existing state laws relating to consumer credit. Present laws on such provisions as maximum finance charge rates, (including usury rates), disclosure, licensing, administration and enforcement would be repealed. The one major exception to general repeal would be in the case of "supervised financial institutions"—such as banks, savings and loan associations, and credit unions—which receive deposits as well as make loans, although the new rate structure would apply to them as well as to other creditors.

Because the Code is designed as a uniform law, to be enacted in the same form in every state, it is offered as a "package" for adoption in its entirety, without amendment. Code sponsors are seeking blanket endorsement of the Code, regardless of any deficiencies and drawbacks.

The Code was not developed as a "consumer statute," as such, but rather seeks a "balance" of consumer and creditor interests. The principal "trade-off" appears to be in the form of high finance charges for creditors in exchange for restrictions on some

of the more bloodthirsty techniques by which creditors can enforce repayment of debts plus more comprehensive enforcement procedures than now apply under many types of credit statutes.

Present indications are that the compromise is unlikely to be satisfactory to all groups. The Code has drawn support from various segments of the credit industry, but coldness from others (notably the American Bankers Association). No known support has come from consumer groups. The major exception in the consumer community was an endorsement by the Special Assistant to the President for Consumer Affairs and the President's Committee on Consumer Interests. But the Code has come under heavy fire from the Consumer Federation of America, representing 136 consumer-oriented organizations. To date it has been opposed by at least three important state consumer organizations—the Association of California Consumers, the Consumers League of New Jersey, and the Pennsylvania League for Consumer Protection—as well as by the Massachusetts Consumers' Council, an official consumer representation body.

Although Code sponsors have sought immediate, wholesale endorsements of their work, and immediate enactment in the 47 state legislatures meeting in 1969, the general public has had little time to gain an understanding of the Code or to develop knowledgeable criticism. The possible impacts would, of course, vary in each of the separate 50 states. Study and criticism will be a continuing process, and common sense dictates a rejection of precipitous enactment.

For states which already have a large body of consumer credit legislation, covering both cash loans and retail sales credit, enactment of UCCC may represent little if any gain in consumer protections and in fact is more likely to result in a net loss. Such states should be extremely critical of UCCC and probably will find it best to reject the Code altogether in favor of continuing improvements in their existing statutes.

On the other hand, states with little or very deficient consumer credit legislation could find that UCCC represents a net gain, in the sense that almost anything would be better than what they have. Even in such situations, a cautious approach is advisable. As indicated in the more detailed comments that follow, finance charge ceilings authorized under UCCC are extraordinarily high for types of credit other than for small loans, and the Code has other drawbacks.

Clearly, an important motivation for urging speedy enactment is the hope of forestalling further federal action in the field of consumer credit. An immediate and announced goal of the Conference is to gain exemptions of state credit laws from applicable provisions of the newly enacted federal Consumer Credit Protection Act. Under the federal law, state laws with "substantially similar" provisions may be exempted from federal requirements for disclosure of the cost of consumer credit and from federal requirements limiting the amount of wages that may be garnished. Further possibilities of federal entry into the consumer credit field could come out of the prospective study by the newly authorized National Commission on Consumer Finance which was set up by the Consumer Credit Protection Act with instructions to make a study and recommendations by January 1, 1971. Also specific federal bills may be expected in the field of credit insurance and in door-to-door credit sales, at a minimum.

#### MAJOR POINTS ABOUT THE UNIFORM CONSUMER CREDIT CODE

##### Maximum charges

1. The Code repeals all existing laws setting maximum rates on consumer loans from banks, credit unions, small loan companies and repeals general usury rate statutes (important primarily in mortgage lending). Maximum rates for retail sales are also re-

pealed including finance charge ceilings set for automobiles, for general retail sales, home repair services and for revolving credit. Existing finance charge ceilings for most creditors would be replaced by uniform ceilings patterned on existing rates for small loan companies, the highest-rate legal lenders in the credit market. In effect, the small loan company rates would become an "umbrella" for all creditors, both for cash loans and for sales credit. The new ceilings would thus raise the legally permitted rates of charge for cost creditors in most states. For most types of consumer credit, except first mortgages, the effective ceilings would be 36% on the first \$300, 21% on the next \$700 and 15% on the remainder over \$1,000. Ceilings on store revolving credit are set at 24% on the first \$500 and 18 percent on the remainder. (See Attachment I for more detailed outline.)

2. Over and above the maximum rate ceilings, the Code permits additional charges for official fees and taxes, and for insurance—property, liability, credit life, and credit accident and disability. These provisions follow the lines of the Federal Consumer Credit Protection Act, which defines "finance charge" in such a way as to permit their exclusion from the finance charge for disclosure purposes. A number of current small loan laws require the lender to include most of these charges in the finance charge, although extra charges for credit life insurance are now generally permitted. The "additional charge" system provides an additional source of revenue to creditors, since the "extras" can be included in the amount of the loan or credit and a finance charge computed on top of them.

3. In addition to charges for official fees, taxes, and insurance, the Code allows "extras" for "other benefits." This provision, although presented as being in conformity with the federal act, actually opens up what could be a dangerous loophole for "tie-in" charges and purchases to be required by the creditor as a condition of extending credit. The Code nowhere makes a flat prohibition of "tie-in" sales, except for limitations on compulsory purchase of various types of insurance.

4. The Code properly requires that a rebate of finance charges be made to the credit buyer or borrower who pays off the credit balance in advance. The rebate is calculated according to the "Rule of 78". Unfortunately, where graduated rate ceilings are used, as under the Uniform Consumer Credit Code, the Rule of 78 provides the creditor with a windfall of unearned credit charges and a corresponding shortfall to the consumer. The "Revised Final Draft" attempts to deal with the problem, not by eliminating the windfall, but by authorizing alternative calculation of the finance charges in such a way as to "legitimize" the windfall. This point will require more analysis and explanation, but some idea of the problem can be obtained by the summary comparisons shown in Attachment II, based on tables appearing in the explanatory text ("Official Comment") of the Code.

##### Insurance

UCCC insurance provisions are written within the framework of the Model Credit Insurance Act developed by the National Association of Insurance Commissioners and now in effect in a number of states. Although some of the more disreputable creditor practices in the sale of credit insurance are prohibited, UCCC does nothing to deal with fundamental problems of overcharges for credit, life, accident and health policies documented by the Senate Antitrust and Monopoly Subcommittee in its 1967 investigative hearings. These hearings disclosed widespread profiteering by creditors on the sale of high-priced insurance, paid for in its entirety by borrowers.

Kickbacks, commissions, and rebates from insurance companies and creditor-owned in-

surance subsidiaries have built a system of "reverse competition" encouraging the sale of insurance at highest possible rates. UCCC forbids charges beyond the legal maximum permitted by the Commissioner of Insurance but does nothing to reduce them further. Lenders' profits on insurance are specifically protected.

##### Disclosure provisions

The sections on disclosure are largely a duplicate of the provisions of the Federal law which contains extensive requirements relating to items of cost of the credit provided, including a statement of the annual percentage rate. Both credit contracts and credit advertising are covered. The principal problem about the disclosure provisions is that since all existing state legislation on disclosure is repealed, any disclosure requirements other than the ones copied from the federal law would disappear. Disclosure statutes may, for example, require disclosure of a buyer's rights under the law, make detailed specifications as to contract forms, or other matters. In effect the federal specifications would substitute for existing requirements rather than add to them. In addition, the disclosure provisions could be rendered ineffective by the fact that specific administrative authority for issuing regulations to interpret the disclosure requirements in the Code is not provided. In particular, the decision as to what is "conspicuous" is left to the courts for determination, on a case by case basis.

##### Restrictions on contract provisions

###### 1. Credit Sales

The UCCC makes a commendable attempt to prohibit or restrain certain types of contracts and contract provisions which are notoriously unfair to credit buyers, but it does not go "all the way."

###### a. Holder in due course

The Code knocks a hole in the onerous "holder-in-due course" doctrine under which a finance company which has bought a credit contract for a retailer is held free of all responsibility to the original buyer and is legally entitled to collect monthly payments from the debtor, regardless of fraud in the original contract, overcharges, defects in the product or other failure in the seller's duties.

The Code would prohibit sellers from taking a "negotiable instrument" in connection with consumer credit contracts. A subsequent buyer of the paper (the "holder") would not qualify for "holder in due course" status if he had notice of the seller's violation. However, no provision is made for labeling consumer paper as such and no penalties attach to the "holder" even if he does take paper illegally procured by the seller.

The Code also invalidates agreements whereby the borrower waives his legal defenses against a subsequent holder ("assignee") of a credit contract. Two Alternatives are provided. Alternative A, which subjects assignees to buyer's defenses, is definitely superior to Alternative B, which requires notice by buyer to assignee of defenses within three months. Even under Alternative A, certain limitations are placed on the liability of the assignee.

###### b. Balloon contracts

The Code discourages the writing of "balloon contracts," but does not prohibit them. It merely specifies that the buyer shall have the right to refinance a balloon payment "without penalty" in any case where the balloon is more than twice the average of earlier scheduled payments. Current state laws that deal with balloon payments usually prohibit them.

###### c. Security for contract

The Code makes certain restrictions on the security that may be taken in a credit sale. In general the seller may not take a security interest in property of the debtor other than in the goods which are the subject of sale. Exceptions are allowed to permit a security interest in goods on which services



are performed or in which goods sold are installed. Also a security interest in land may be taken if goods are affixed to it or improvement services performed on it. The debt must be at least \$300 in the case of security interest in goods and at least \$1,000 in the case of a security interest in land. These provisions are definitely a step in the right direction, but the \$300 and \$1,000 limits have been criticized as too low.

#### d. Add-on sales

The Code reforms but does not eliminate "add-on" sales whereby a buyer's current purchases are permitted to be taken as security for earlier purchases on which payments have not yet been completed, and vice-versa (earlier purchases become security for later purchases). Situations have occurred in which default on the most recent purchase have occasioned loss to the buyer of the entire set of purchases. The Code provides that a buyer's payments must be allocated to the goods in the order which they were bought and the security interest terminated in each item as the debt on each is paid off.

A question remains as to whether "add-on" sales should be prohibited in their entirety. A consideration against such prohibition in the Code as presently written is that multiple separate sales could result in multiple high-charge contracts under the graduated rate structure.

#### e. Wage assignments

UCCC prohibits wage assignments as do a number of existing state laws. This is a desirable reform. A wage assignment is an agreement which provides that the creditor can take part of a worker's wages directly from his employer if the debt is not repaid when due. Under UCCC an assignment of earnings may not be taken unless the employee is free to revoke his authorization of the assignment.

#### f. Referral sales

Referral sales are prohibited. A desirable reform. Referral selling is a racket whereby the buyer is persuaded to sign a contract by a promise that he can recoup the purchase price in whole or in part by supplying other customers to the seller.

#### g. Attorney's fees

Two alternatives are provided: (A) prohibits agreements providing for payment of attorney's fees by the borrower and (B) limits attorney's fees to 15 percent of the unpaid balance. Alternative (A) is clearly superior, particularly since "reasonable expenses" are allowed to the creditor in realizing on his security interest in case of the borrower's default.

#### h. Confession of judgment

This is prohibited. A desirable and important reform. A debtor who "confesses judgment" signs away his legal rights to challenge the validity of the debt.

#### 1. Blank spaces and contract accelerations

Two notable omissions in the Code are (1) the failure to prohibit blank spaces in contracts (a common requirement under existing state legislation) a source of easy fraud on the debtor (2) the failure to curb the creditor's unrestricted right to require immediate payment of the unpaid balance of the debt thereby precipitating a debtor's default. Unilateral acceleration by the creditor should be restricted to cases in which substantial default has actually occurred.

#### 2. Loans

Restrictions on loan agreements are less extensive than those for sales. Provisions on balloon payments, wage assignments, attorney's fees, and confessions of judgment are the same. But no restraints are put upon the rights of holders in due course or on rights of assignees. "Supervised lenders" (licensed lenders and supervised financial institutions) may not take a security interest in land unless the debt is over \$1,000 but other

lenders may do so. Again, the \$1,000 cut-off has been criticized as too low.

#### Restrictions on Creditor Collection Practices

##### 1. Deficiency Judgments

The UCCC makes a limited attack on deficiency judgments. It provides that a seller who repossesses or takes back goods that were the subject of sale (or other security for the debt) may not also obtain payment for the "deficiency" between what the goods sell for and the unpaid balance of the debt. However, this provision applies only where the cash price of the sale was \$1,000 or less, thus being of no effect for larger purchases such as new cars. No restraint on deficiency judgments applies in the case of cash lenders.

##### 2. Wage Garnishment

UCCC would restrict garnishment along the lines of the Federal Consumer Credit Protection Act which limits garnishment to 25% of disposable earnings or the excess over \$48 per week (30 times the federal minimum hourly wage) whichever is less. In UCCC the minimum exemption is improved to \$64 (40 times the minimum wage), but the 25% figure remains unchanged.

In addition UCCC would prohibit garnishment before judgment and would prohibit employers from firing workers on account of garnishment. Federal law forbids firing on account of garnishment for "any one indebtedness" and makes no special provision for garnishment before judgment.

The principal immediate problem presented by UCCC is whether its 25% limit and basic exemption amount would replace more favorable provisions under a number of existing state laws, for example, laws which provide a 10% limit or which do not permit garnishment at all. A "savings clause" is included in the Federal statute for such situations, but not in the text of the Code.

In the most recent published edition of the Code (Revised Final Draft, November 1968) the "Official Comment" has been rewritten to disclaim any intent to undercut existing laws which provide additional protections to wage-earners. However, the fact remains that the statutory language does not in itself accomplish this result.

A further technical difficulty presented by the Code is that its garnishment provisions cover only situations in which the garnishment has arisen out of a transaction covered by the Code (generally, debt characterized either by installment repayments or by the imposition of a finance charge). Garnishment arising out of debt not covered by the Code, such as service credit (doctor bills and utility bills), would not be affected.

Even assuming the most favorable interpretations of the Code, only modest improvement is made over the Federal provisions which will go into effect July 1, 1970. More comprehensive action on garnishment is needed, either to abolish garnishment altogether, or to severely restrict its application.

#### Contract cancellation rights

UCCC includes a section on "home solicitation sales" giving buyers a three day period in which to cancel a credit contract for goods or services bought from a door-to-door salesman.

The objective of this provision is obviously desirable, but specific points will need to be examined for possible improvements. The provision for a 5% cancellation fee has been particularly criticized.

An additional section, relating to buyer's cancellation rights in the case of a credit sale or loan secured by the buyer's home, is incorporated from the Federal Consumer Credit Protection Act.

#### Administration and enforcement

Administration and enforcement is centered in a single Administrator who is given fairly impressive powers in the form of authority to issue "cease and desist" orders, to

obtain injunctions and temporary injunctions from the courts, to bring suit for civil penalties, and to recover overcharges in behalf of debtors. Debtors are also given certain rights of bringing private suits.

Licensing requirements are included for all "supervised lenders" and their assignees (i.e. lenders who charge more than 18 percent per year on loans). These provisions would cover lenders presently licensed under state small loan laws and could have the effect of requiring licensing of at least some high rate lenders in the second mortgage market. Licensing provisions are considerably less stringent than those usually applicable to small loan licensees under much existing legislation. No license would be required for lenders charging less than 18 percent per year.

No licensing is required in the credit sales field, either for retailers or for sales finance companies which buy their paper. They are subject only to registration requirements. A number of states currently have licensing requirements for sales finance companies, and in some states retail dealers (especially automobile dealers) must be licensed for credit operations. These laws would be repealed by UCCC. Licensing requirements involve important powers to suspend or revoke the license of an enterprise to continue in business and can provide an important protection against shady operators in the credit field, as well as in securing general compliance with the law.

Apparently the main weapon in the Code against shady operators in the credit sales field would be recourse by the Administrator to the courts for an injunction against "unconscionable" conduct.

Another notable omission is rule-making power for the Administrator. He is prohibited from issuing regulations except where specifically authorized by the Code to do so. (These relatively few authorizations are nowhere summed up in a list.) It is evidently intended that the Administrator may issue regulations to correspond to those which will be issued by the Federal Reserve Board, assuming the state were to be exempted from the operation of the federal statute with respect to disclosure requirements. However, rule-making powers in the section of the Code dealing with disclosure do not appear sufficient to accomplish this result.

#### ATTACHMENT I

#### FINANCE CHARGE CEILINGS UNDER UNIFORM CONSUMER CREDIT CODE

- For retail sellers:  
Installment credit:\*  
36% on first \$300.  
21% on next \$700.  
15% on excess over \$1,000.  
Revolving credit:  
2% per month on first \$500 (24% per year).  
1½% per month on excess over \$500 (18% per year).
- For licensed lenders and supervised financial institutions (small loan companies, finance companies, commercial and industrial loan banks, credit unions):  
Loans and revolving loan accounts:\*  
36% on first \$300.  
21% on next \$700.  
15% on excess over \$1,000.
- Other lenders:  
a. 18% per year.  
b. Mortgage loans are exempt from certain key provisions of the Code if finance charge is 10% or less. This is intended to result in an effective ceiling of 10% on first mortgages.

\*Alternatively, a rate of 18% is authorized if the yield would be larger.

(NOTE.—The Code further provides for an escalation of effective ceilings in accordance with rises in the Consumer Price Index. This is done through increasing the sizes of the

loan to which the higher rates apply. For example, if the CPI increased by 10%, and \$300 to which the 36% rate applies would go to \$330 and the 21% rate would apply up to \$1,100 instead of \$1,000.)

#### ATTACHMENT II

CREDITOR'S EARNED INTEREST CHARGES ON LOAN OF \$150

Month No.	Normal computation <sup>1</sup>	Rule of 78 <sup>2</sup>	Alternative permitted in revised final draft <sup>3</sup>
1.....	\$27.50	\$32.66	\$31.38
2.....	26.06	29.85	29.05
3.....	24.60	27.14	26.67
4.....	23.13	24.43	24.28
5.....	21.63	21.72	21.77
6.....	19.67	18.99	19.24
7.....	17.52	16.28	16.66
8.....	15.33	13.57	14.03
9.....	13.10	10.86	11.34
10.....	10.83	8.15	8.59
11.....	8.19	5.42	5.79
12.....	4.12	2.71	2.91
Total <sup>4</sup> ....	211.68	211.68	211.68

<sup>1</sup> Based on month by month application of 36 percent per year on 1st \$300, 21 percent on next \$700, and 15 percent on balance over \$1,000.

<sup>2</sup> Based on distribution of total finance charge according to rule of 78.

<sup>3</sup> Based on recasting of charges at flat annual rate of 25.10 percent, corresponding to 36 percent on 1st \$300, 21 percent on next \$700, and 15 percent on balance over \$1,000.

<sup>4</sup> Rebate due if loan is paid off after 5 months (the addition of charges for months 6 to 12):

Normal computation.....	\$88.76
Rule of 78.....	75.98
Alternative under revised draft.....	78.56

#### PERMISSION TO FILE REPORT ON H.R. 33—PROVIDING FOR INCREASED PARTICIPATION BY UNITED STATES IN INTERNATIONAL DEVELOPMENT ASSOCIATION

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the House Committee on Banking and Currency may have until midnight Saturday, March 8, 1969, to file a committee report on H.R. 33, a bill to provide for increased participation by the United States in the International Development Association, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. GROSS. Mr. Speaker, reserving the right to object, what is the bill that is the subject of the gentleman's request?

Mr. PATMAN. It is the bill, H.R. 33, a bill to provide for increased participation by the United States in the International Development Association. The bill was passed in committee in the last session, but did not pass the House or Senate. The vote was 30 to 2 and there is very little opposition to it. The Secretary of the Treasury made a very fine statement on the need for this bill.

Mr. GROSS. What is the purpose of the bill, if the gentleman will explain briefly?

Mr. PATMAN. It supplements the fund of the International Development Association. Our part will be \$480 million, or one-third each year.

Mr. GROSS. In other words, dig into the taxpayers' pockets for some more money for foreign aid; is that it?

Mr. PATMAN. It is something that will help the taxpayers, that is true.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

#### NEW LAW NEEDED FOR WAGE BOARD EMPLOYEES

(Mr. EDMONDSON asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. EDMONDSON. Mr. Speaker, today I have introduced a bill entitled "The Prevailing Wage Rate Determination Act of 1969."

This bill is intended to bring order and system to the process of fixing rates of pay for the Federal Government's 765,000 wage board employees who work under the prevailing wage rate system, and I believe it is necessary legislation.

The bill does not tamper with the basic concept of the prevailing wage system. It does seek to eliminate injustice and inequity which have occurred under the system by providing new mechanisms for establishing basic regulations, conducting wage surveys, and adjudicating and arbitrating differences.

For the Federal wage board employee, this bill means each employee doing a specific kind of work will receive the same pay that every other employee doing the same work under the same prevailing wage determination is receiving. Numerous instances have been called to my attention in which different wages are paid workers on identical jobs in the same community.

I believe this bill is essential to guarantee fair and equal treatment to all wage board employees, and I hope action is taken on this matter in this Congress.

#### PROPOSAL TO INCREASE THE PERSONAL EXEMPTION TO \$1,200

(Mr. DANIELS of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANIELS of New Jersey. Mr. Speaker, yesterday, March 4, 1969, I introduced a bill in the House, H.R. 8153, to raise the personal exemption for persons who pay Federal income taxes from \$600 to \$1,200.

Many Members of this House will recall that on the opening day of the Congress I reintroduced my comprehensive tax reform bill. The purpose of this bill is to provide for a redrafting of the Internal Revenue Code to provide a "break" for middle income taxpayers. It is clear that this reform is long overdue.

It is good to see the House Ways and Means Committee giving serious consideration to the whole tax structure of this Nation. While we may not get all that we want—in terms of tax reform—it does seem as though some readjustment is in the offing.

Thus, if we do revise our system it seems clear that we now can justify an increase in the personal exemption from \$600 to \$1,200 a year. Clearly, the \$600 figure no longer reflects the cost of keeping one's body and soul together for a single year.

Mr. Speaker, it is with this in mind that I have drafted this bill. I hope that when we do get reform of the tax structure we can immediately raise the personal exemption to a figure which more

accurately reflects today's high cost of living.

Mr. Speaker, the middle income taxpayer is becoming very disturbed about the fact that he is bearing more than his share of the tax load. And his complaints are justified. It is time that this Congress set about these inequities in the law.

Thus, I hope that we can enact my bill before the end of this session of the Congress. There is a limit to the patience of the American taxpayer and the limit to this patience is rapidly being approached.

#### JUSTICE DEPARTMENT MAY BE OVERSTAFFED

(Mr. JOELSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JOELSON. Mr. Speaker, I have noticed that the Attorney General will require attorneys in the Department of Justice to report in writing every 12 minutes for the next 6 months how they are occupying their working hours. I suggest that he forget it, because it is an insult to the dedicated attorneys in the Justice Department and a fat waste of time.

I understand that the Attorney General seeks to justify his edict on the ground that it is necessary to prove to Congress that he needs more attorneys. Well, I am a member of a subcommittee of the House Appropriations Committee which handles the appropriations of the Justice Department, and the practice could have the opposite effect on me. If the attorneys have time every 12 minutes to engage in this type of nonsense, I might come to the conclusion that perhaps the Justice Department is overstaffed.

#### CLAIMS FOR UNEMPLOYMENT COMPENSATION FOR EX-SERVICEMEN AND FEDERAL CIVILIAN EMPLOYEES

(Mr. KASTENMEIER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KASTENMEIER. Mr. Speaker, I am today reintroducing two bills to effect changes in the treatment awarded claims for unemployment compensation for ex-servicemen and Federal civilian employees.

The first involves the difference in the treatment of payments for military accrued leave. Present law requires the mandatory postponement of unemployment compensation benefits for ex-servicemen during the equivalent length of time covered by military accrued leave. Federal civilian employees, however, are exempted from this requirement and are not barred by Federal law from receiving unemployment compensation benefits for the period following the separation from employment to which payments of Federal civilian terminal leave were allocated. Their eligibility is governed by the applicable State unemployment compensation law in the State in which they apply for benefits. Most States disregard lump-sum annual leave payments.

Many servicemen who serve 2 years on active duty often do not, or cannot,



use all or even a major part of the 60 days of leave time they are entitled to during their service. They get paid a lump sum instead. In the case of a private, first class, the lump-sum payment for 30 days' accrued leave time would be \$137.70, or a month's pay, less taxes and social security.

If he is not able to locate employment immediately and seeks unemployment compensation, he will find that Federal law now requires him to wait out the 30 days he was paid for as a private, first class. He is not eligible for unemployment benefits until that period has run its course.

My bill would amend the law to provide servicemen the same treatment for military accrued leave as that now provided Federal civilian employees. It is hard to understand how this situation developed in the law, but Congress should put an end to it, especially in view of the far lower pay scale of the 2-year servicemen. This situation was first called to my attention by a constituent, Paul Crocker, of Madison, Wis.

The second bill would affect the method used in assigning wages of Federal civilian employees and servicemen. At first, it would appear that existing law favors the serviceman. For unemployment compensation for ex-servicemen, Federal military wages are assigned to the State in which the ex-serviceman first establishes a claim for benefits following his last separation from Federal service. On the other hand, Federal civilian wages are generally assigned to the State in which the worker had his last official station in Federal civilian employment prior to filing his initial claim.

The difference in wage assignment frequently complicates administration because an ex-serviceman also may have worked as a civilian for the Federal Government. For example, military personnel may work off-duty hours in a post exchange. This could result in assigning his Federal military wages to the State in which he filed a claim, and his Federal civilian wages to the State in which his last official station in Federal civilian employment was located.

The method of assigning Federal military wages is preferable to that in effect for the assignment of Federal civilian wages. Assigning wages to the State in which a claim is first established achieves substantially greater administrative simplicity. It makes it possible for an ex-serviceman to file a first claim in the State in which he wishes to seek work. His claim need not be processed through relatively cumbersome interstate benefit arrangements and the payments to which he may be entitled are made much more expeditiously.

It seems clear to me that these two conflicts in the law are inequitable to the serviceman and should be corrected. A technical description of these two bills follows:

Difference in provisions of title XV of the Social Security Act relating to unemployment compensation for Federal civilian employees and ex-servicemen; and

Methods of handling lump-sum payments for Federal civilian terminal leave and military accrued leave.

The first significant area of difference is in regard to the treatment of lump-sum payments for Federal civilian terminal leave and military accrued leave. Originally, sections 1505 and 1511(f), title XV, of the Social Security Act, provided equal treatment for both types of leave payments. The original requirement postponed both UCFE and UCX benefits for the period following the separation from employment to which payments of Federal civilian terminal leave or military accrued leave were allocated.

Since Public Law 442, 86th Congress, approved April 22, 1960, repealed section 1505 of the Social Security Act, the provisions of the applicable State unemployment compensation law govern the effect of Federal civilian terminal leave on claims for UCFE benefits. However, section 1511(f) of title XV requires that section 1505, even though repealed with respect to payments of Federal civilian terminal leave, shall continue to apply in connection with lump-sum payments of military accrued leave. This results in mandatory postponement of UCX benefits during the period covered by military accrued leave. The repeal of subsection 1511(f), title XV, of the Social Security Act would permit the same treatment for military accrued leave as that accorded to terminal leave related to Federal service.

#### METHODS OF ASSIGNING WAGES TO STATES

Section 1504 of the Social Security Act requires that Federal civilian wages be generally assigned to the State in which the worker had his last official station in Federal civilian employment prior to filing his initial claim. Exceptions are made, first, when the individual worker in employment subject to the unemployment compensation law of the State in which he is living when he makes his initial application for USFE benefits, provided such State is not the State of his last official station, and second, when his last official station was outside the 50 States or the District of Columbia. In such cases, his Federal civilian wages are assigned to the State in which he is living when he initiates a claim. For UCX purposes, Federal military wages are assigned to the State in which the ex-serviceman first establishes a claim for unemployment benefits following his last separation from Federal military service.

The difference in wage assignment frequently complicates administration because an ex-serviceman also may have worked as a civilian for the Federal Government. For example, military personnel may work off-duty hours in a post exchange. This could result in assigning his Federal military wages to the State in which he filed a claim, and his Federal civilian wages to the State in which his last official station in Federal civilian employment was located.

It is the Department of Labor's position that the method of assigning Federal military wages is preferable to that in effect for the assignment of Federal civilian wages. Assigning wages to the State in which a claim is first established achieves substantially greater administrative simplicity. It makes it possible for an ex-serviceman to file a first claim in the State in which he wishes to seek

work. His claim need not be processed through relatively cumbersome interstate benefit arrangements and the payments to which he may be entitled are made much more expeditiously.

#### PILOTS UNIONS MOVE IN DIRECTION OF CONGRESSMAN FASCELL'S "STOP HIJACKING" PLAN

(Mr. FASCELL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, I was delighted to learn that the executive council of the AFL-CIO, meeting last week in Bal Harbour, Fla., has urged the International Federation of Air Line Pilots Associations and all concerned governments to take positive steps in order to stop further hijackings of private and commercial aircraft.

Specifically, the executive council has urged that the above parties spare no effort to reach an international accord under which no government would permit planes of its nationals to fly to any country which provides sanctuary for hijacked planes or for their hijackers.

Also last week, Mr. William M. Masland, North Atlantic vice president of the International Federation of Air Line Pilots Associations, was quoted as saying in New York that his organization may act to deter all types of illegal interference with passenger aircraft, and that this issue will be taken up at the association's annual meeting in Amsterdam March 20-27.

Mr. Speaker, I would like to applaud these actions and to point out that they, in effect, endorse the course which I had suggested in my resolution, House Resolution 218. The text of the resolution, which urges a three-step approach to the solution of the problem of aircraft hijacking, follows:

#### H. RES. 218

*Resolved*, That it is the sense of the House of Representatives that—

(1) the President of the United States urge the governments of friendly countries, particularly the Governments of Canada, Spain, and of the free countries located within or on the periphery of the Caribbean Basin, to suspend air travel to and from, and the extension of aircraft landing and service privileges to, any country which, in the case of a hijacking of an aircraft, fails to return within forty-eight hours to the country of its registration, the hijacked aircraft, its crew, its passengers and the person or persons responsible for the hijacking; and that

(2) the President advise the governments of such friendly countries of the readiness of the United States Government to participate in an international conference designed to formalize the arrangements referred to in paragraph 1 above; and, finally, that

(3) the President direct the United States representative in the International Civil Aviation Organization to propose that the said Organization sponsor and support a protocol to the Tokyo Convention on Offences and Certain Other Acts Committed on Board Aircraft providing for the prompt return to the country of its registration of all hijacked aircraft, their crews and passengers, and the person or persons responsible for the hijackings.

# FEDERAL MEDIATION FOR NATIONAL AIRLINES STRIKE

(Mr. PEPPER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEPPER. Mr. Speaker, one purpose of Congress in establishing the National Mediation Board is to assist carriers and unions engaged in a dispute over rates of pay, rules, and working conditions to resolve their controversy without the need for recourse to strikes, lockouts, or other self-help. The mediatory efforts of the Board are an essential means to that end. By mediation, hopefully, self-help may be avoided. At the least there would be no resort to self-help until mediation proves futile. Yet in the current dispute between the International Association of Machinists & Aerospace Workers, AFL-CIO, and National Airlines, Inc., over the rates of pay, rules, and working conditions of National's mechanical, stores, and related employees represented by the IAMAW, the Board is wholly defaulting in discharging the statutory responsibility with which Congress has entrusted it.

The facts are simple. National recognizes the IAMAW as the collective bargaining representative of its mechanical, stores, and related employees. On August 25, 1966, National and the IAMAW entered into a collective bargaining agreement prescribing the rates of pay, rules, and working conditions for these employees. In accordance with that agreement and section 6 of the Railway Labor Act, National and the IAMAW on October 31, 1968, exchanged notices of the changes each desired in the prevailing rates of pay, rules, and working conditions. Negotiations between the two took place on November 12, 13, 14, 15, and 18, 1968. Negotiations recessed on November 18. Negotiations were resumed and deadlocked on December 9, 1968. On December 16, 1968, National made an application for the mediatory services of the Board. On December 23, 1968, the Board docketed the application "as our Case No. A-8497", and stated that a "mediator will be assigned to mediate this dispute." But the Board has failed to assign a mediator to the dispute at any time thereafter.

The Board's failure to assign a mediator to the dispute is inexcusable. Section 5, first, of the Railway Labor Act imposes a mandatory duty upon the Board. It requires that the Board "shall promptly put itself in communication with the parties to such controversy, and shall use its best efforts, by mediation, to bring them to agreement." The Board does not begin to use its "best efforts" when it does not even assign a mediator to help compose the differences between the parties.

The Railway Labor Act can work only if the National Mediation Board performs its duty to mediate. Without mediation, in the statutory words, there can be no effort "to bring about an amicable settlement through mediation"; there can be no "final required action" by the Board to "at once endeavor to induce the parties to submit their controversy to arbitration" if mediation fails; there can be no presidential establishment of an emergency board if arbitra-

tion is refused; and there can be no exhaustion of the statutory procedure allowing the carrier and the union to resort to self-help. The Railway Labor Act does not prohibit a strike by a union. It only forbids striking during the course of exhaustion of the act's procedures. Where the Board violates its duty to mediate, it brings the statutory scheme to a standstill, precluding a resolution of the dispute through mediation, arbitration, or emergency board factfinding, or a resolution of the dispute by resort to self-help.

There is only one alternative to the conclusion that the Board has defaulted in its duty to mediate. That alternative is that the Board erred in its action of December 23, 1968, by which it docketed National's application for mediation services and stated that a "mediator will be assigned to mediate this dispute." Conferences between the company and the union terminated on December 9, 1968. If the Board erred in docketing the company's later application for mediation services and assigning a mediator in accordance with it, the Board should correct that error by vacating its action in docketing the application and by withdrawing its proffer of mediation. Vacation of docketing and withdrawal of the proffer to mediate would effectively mean that no "request for or proffer of the services of the Mediation Board" had been made within the 10-day period following the termination of conferences. Under section 6 of the Railway Labor Act the parties would, therefore, be free to resort to self-help forthwith. The statutory standstill caused by the Board's inaction would be dissolved, and the path would be opened to final determination of the dispute.

The plain upshot, therefore, is that the Board must either fish or cut bait. It must either get into the dispute and mediate it, or it must withdraw from the dispute and allow the parties to settle it by self-help. The Board cannot just continue to do nothing. Its inaction leaves the parties and the dispute in limbo. Congress did not establish the Board to frustrate settlement. It must either get in or get out. Whichever way it jumps, it must get off the fence, and promptly.

## HOMAN AWARD PRESENTED TO CONGRESSMAN OLIN E. TEAGUE

(Mr. BURLESON of Texas asked and was given permission to address the House for 1 minute, to revise and extend his remarks and to include extraneous matter.)

Mr. BURLESON of Texas. Mr. Speaker, I am sure all you join in extending congratulations to our able and beloved colleague, OLIN E. TEAGUE. On last evening, March 4, the Veterans of Foreign Wars presented to our distinguished colleague, the Homan Award, the highest honor which this great organization can bestow on a recipient. As was determined by the VFW, no worthier choice could have been made than this man, who is so dedicated to high public service, and I am certain all of you agree with me it was indeed a choice well made.

In response to this high honor, our colleague, "TIGER" TEAGUE, addressed the

VFW with inspiring words which should be heard across our land.

Mr. Speaker, I include the speech of Congressman TEAGUE as a part of the RECORD of this date:

REMARKS OF HON. OLIN E. TEAGUE, DEMOCRAT, OF TEXAS, CONGRESSIONAL DINNER, VFW, WASHINGTON, D.C., MARCH 3, 1969

Commander Homan, my colleagues in Congress, distinguished Medal of Honor recipients, Voice of Democracy winners, Ladies and Gentlemen, I receive this award in all humility and gratitude. Thank you very much.

I want to make it very clear I receive it, in the fullest meaning of the word, as a Member of Congress and not simply as an individual.

There are in this audience tonight hundreds of Members of both Houses of Congress who have made this award possible—and there are many other Members who could not be with us tonight—who should share this credit. After all, if it were not for the support and votes in the Committees and if it were not for the support and votes in the Congress as a whole, all of the dreams and ideals we share together would turn to dust.

We have made accomplishments in the veteran field for a single reason: We have a responsive and sympathetic Congress. Last year we passed 500 million dollars in new veteran benefit legislation with only two dissenting votes. Not one single time has Congress ever rebuffed the Veterans Affairs Committee on any reasonable request which we have brought before it.

The Congress is most nonpartisan when it comes to the welfare of our veterans and servicemen. I have found in my quarter century in Congress that political partisanship is not a factor when we consider the welfare of those who serve. I would like to express a special word of thanks to our great Speaker, the Honorable John McCormack, and to the distinguished minority leader, the Honorable Gerald Ford, who have done so much to preserve this bipartisan concept.

I want to take a few minutes to make one point which I deeply believe and that is: *We live in a wonderful country.* And the United States with all its turmoil, with all its problems, is a great, good and generous nation. And we ought to remind ourselves of this more often.

I am saying this because we have, as a nation, shown a tendency in recent years to downgrade ourselves and to downgrade our institutions. We have been flooded with the criticisms of a quite small, but highly articulate, minority, so that we are becoming a nation of intellectual pessimists. We have come to accept the castigations of our critics without question and too often refuse to believe the evidence of our daily achievements.

There are still a lot of problems in America but there are a lot more things that are right with America. Our system demands that we seek out and identify our problems. It is true that there are some who still suffer the indignities of inequality and the shame of injustice. We must forever and with all our energy continue to seek to correct these injustices and inequalities. We must always strive to improve the quality of life for all our people, but sometimes it seems to me that we become so engrossed in these problems, so centered on what is wrong, that we seldom acknowledge what is right.

We have a free society in this country. It is the freest society in the world. We are several million light years ahead in the area of freedom compared to those countries which espouse the causes of Communism—countries which are often held up as examples by some who riot on our college campuses and on our streets, claiming we don't have freedom enough.

As a people, we have more freedom of ac-



tion, more freedom of speech, and more freedom of choice than any other people in all of history. As a nation we have more freedom of religion than have the citizens of any other nation. We have no State establishment of religion; our people worship as they see fit, without interference or hindrance, or they can refuse to worship at all, if faith has been denied them. But, of course, there are those who, in the name of freedom, would tear from the God-oriented majority of our people the right to express our belief in the Almighty in any public or official way. This again, to me, is the opposite of freedom.

Others, who suffer loss of freedom, can tell us much. All of us in Congress get requests practically every day from people wanting to come in to the United States, but I know of none who have ever received a request from anyone to get out!

Anytime you become discouraged with your country, you need only to travel a little, away from Washington and across the breadth of this magnificent land. You'll find a vibrant, thriving, bustling, vital people, concerned about our problems—yes—but driving ahead, producing, learning, working, worshipping, and playing. You will find that we, as a people, not only have more of the good things of life, we have more time to enjoy them. We are better housed, better clothed, better fed, better educated, in better health, and enjoy the finest communication network and the greatest transportation and distribution systems ever developed by man.

It is time for us, as Americans, to hold our heads high—to take pride in the civilization we have built upon this continent—to take pride in the freedoms we have created—and to be determined to protect those freedoms in every way we can, with every means we have available. We must believe in ourselves more.

We might take a lesson from the brave astronauts who so fervently believe in themselves and our space program. Surely one of the great benefits we can gain from the magnificent achievements of our space program is to show more confidence and take more pride in ourselves as a nation. I was at Cape Kennedy yesterday for the launching of Apollo Nine. This ten day experiment is just in its second day and if all goes well, we will all turn our thoughts to the Moon landing. Surely we can draw a little on the courage and confidence of America's astronauts who carry our flag into outer space. I sometimes hear sincere people question the value of the space programs, even to the point of recommending that they be virtually discontinued. I say to you in all earnestness, can we seriously suggest that America lay aside the mantle of space leadership and leave man's greatest adventure to someone else? We all know that this cannot be. Therefore, if brave astronauts circle the earth in preparation for the future, we here, and particularly those of us in the Congress, greatly concerned about the nation's strength and prestige, about this nation's leadership and her future, must continue to do our part.

Let us face our problems. Let us also recognize our progress and our greatness.

As St. Paul says in his second epistle to the Corinthians—and I paraphrase here—*"We must strive to show our selves servants of God, with great fortitude in trials, distress, difficulties and . . . riots, with hard work . . . with innocence, knowledge, patience and kindness, wielding the weapons of justice with right hand and left, whether we are honored or dishonored, spoken of well or ill."*

To those who abuse their freedom by seeking to impair the rights of others, and by deriding us for our virtues, I would like to paraphrase the epistle:

*"We are called imposters, and yet we are truthful . . ."*

*"We are called sorrowful, and yet we are rejoicing . . ."*

*"We are called poor in spirit, and yet we are enriching many."*

*"We are said to have nothing, and yet we have everything."*

Let's keep it that way. Let's speak, more often, of what is right with America.

Once more—on behalf of all my colleagues in Congress and myself—thank you for what you have done here tonight. Good night, and God bless you.

### SPLASHING SOME COLD WATER ON "THE NUKES ARE IN HOT WATER"

(Mr. HOLIFIELD asked and was given permission to extend his remarks at this point in the RECORD, and to include extraneous matter.)

Mr. HOLIFIELD. Mr. Speaker, some of my colleagues may have read the article entitled "The Nukes Are In Hot Water" which appeared in a recent edition of that esteemed technical journal, Sports Illustrated. In a writing style characteristic of journalism's earlier and more flamboyant days, the author of this lurid piece imputes almost unspeakable motivations to the Atomic Energy Commission and the Nation's "blind" and "greedy" electric utilities. Their alleged crime: a conspiracy to desecrate our aquatic environment through "thermal pollution," that is, changes in the normal temperature of waterways caused by discharges of waste heat from nuclear power plants using the water for cooling—or condensing—purposes.

I am not at all sure of the technical qualifications of the article's author, one Mr. Robert H. Boyle, but I am confident of one thing—his article was misleading, unfair, and riddled with inaccuracies. I was at first tempted to ignore the ill-informed essay, but since this is at least the second time that Sports Illustrated has published an article by Mr. Boyle on this general subject I thought perhaps it was time to clarify the record in this respect. The fact that the article has been inserted into the RECORD by others would seem to suggest that at least some of my colleagues may have taken Mr. Boyle's utterances at face value.

Let me illustrate the errors of Mr. Boyle's ways with several flagrant examples. First, the article would suggest to all but the most perceptive reader that the potential problem of so-called thermal pollution is confined to nuclear powerplants. In fact, this characteristic is not peculiar to nuclear plants; it is a problem which in varying degrees is shared by all thermal electrical generating facilities no matter what their fuel source—coal, oil, gas, or uranium. Parenthetically, I might add that, as to air pollution, the converse is not true—nuclear plants release none of the air pollutants characteristic of conventional thermal generating plants, such as sulfur compounds and hydrocarbons.

The one sentence in the Boyle article that does indicate the thermal effects problem is shared by fossil plants strongly implies that the Federal Power Commission regulates the thermal discharges of these plants. That is simply not true. The fact of the matter is that there is no Federal agency which licenses and regulates conventionally operated steam powerplants, either from the air pollution standpoint, the thermal pollu-

tion standpoint, or the standpoint of overall public health and safety. In rare cases—as, for example, where the operator of such a plant desires to use the reservoir of an existing or proposed hydroelectric development as the source of cooling water for a thermal plant—FPC can condition its approval upon adequate thermal effects controls, but this is the exception, not the rule.

Second, Mr. Boyle's article implies that the fishkill which occurred in early 1963 at Consolidated Edison's Indian Point nuclear station on the Hudson River was caused by thermal pollution. The fact of the matter is that the fishkill was not caused by thermal discharge. Rather it was caused by a combination of the trapping effect of a partially enclosed dock—built to receive fuel for an oil-fired superheater at the same site—and revolving mechanical equipment associated with the cooling-water inlet to the reactor facility. There is some reason to believe that the then existing approximately 4-5° Fahrenheit difference in temperature of the water at the intake possibly may have attracted fish to the sheltered, semienclosed dock area from colder areas of the river during the winter months; however, there is not a shred of evidence that thermal discharge was the proximate cause of this or any other fishkill that may have occurred at the installation. Officials of the AEC, the U.S. Fish and Wildlife Service, and the New York Conservation Department, not to mention officials of Consolidated Edison itself, all confirmed this conclusion when the staff of the Joint Committee on Atomic Energy investigated this matter.

I might add, Mr. Speaker, these same experts told the committee that Consolidated Edison has gone to great lengths to correct the situation that gave rise to the 1963 fishkill, and that a great deal of success has been achieved in this respect. Among the corrective steps which Con Ed has taken are removal of the metal pilings—or "curtains"—around the dock which tended to make the area a seeming natural sanctuary for the fish; installation of improved screens at the point of water intake to keep larger fish out; enlargement of the aperture of the intake to reduce the velocity of the water at this point; and extension of a bulkhead so that heated water emanating from the plant is discharged farther downstream. The latter measure greatly reduces the recirculation—by tidal flow—of this heated water with the water entering the plant at the point of intake, and has resulted in a reduction of the temperature of the water at the intake from approximately 5° Fahrenheit above the ambient river temperature to 1° Fahrenheit or less above ambient river temperature.

It may be that some fish, small in number and in size, continue to get caught in the mechanical equipment associated with the Indian Point intake. However, under present technology this is a problem that to one degree or another is common to all plants which draw their cooling water from the river, bay or ocean on which they are located. Unfortunately, it is a price we have to pay for having electricity readily available in our homes and offices.

It may be of interest to Mr. Boyle and others to see what the Federal Water Pollution Control Administration has said on the matter of fishkills from thermal pollution. I asked Commissioner Moore of the FWPCA about it last year when he testified before the joint committee. He said the FWPCA had no record of any fishkill ever having been caused by thermal discharges from a nuclear powerplant. Subsequently I asked Commissioner Moore to submit a letter to the joint committee listing all fishkills known or believed to have been caused directly by so-called thermal pollution from electrical generating facilities. The FWPCA's response, which I include at this point in the RECORD, indicated that since 1962, 10 such fishkills have been reported, all caused by conventionally fueled powerplants:

U.S. DEPARTMENT OF THE INTERIOR,  
FEDERAL WATER POLLUTION CONTROL ADMINISTRATION,  
Washington, D.C., May 17, 1968.

Hon. CHET HOLIFIELD,  
House of Representatives,  
Washington, D.C.

DEAR MR. HOLIFIELD: This is in response to your request to Commissioner Moore for additional information for the record following his appearance before the Joint Committee on Atomic Energy, May 1, 1968. You ask for additional information on a fishkill which Mr. Moore testified had occurred on a Texas River as the result of thermal discharges from a conventionally fueled steam power plant and for a list of all fishkills known or believed by the Federal Water Pollution Control Administration to have been caused directly by so-called thermal pollution from electrical generating facilities. Mr. Moore is out of the city and has asked me to provide this information which I am pleased to do.

The thermal fishkill to which Mr. Moore referred occurred on or before June 15, 1967, in the Guadalupe River below the Central Power and Light Company generating plant at Victoria, Texas. The only record of this fishkill known to us is contained in a memorandum under letterhead of the Texas Parks and Wildlife Department, copy of which is enclosed. Please note that at the end of the fourth paragraph the author states that, "In checking the river water temperature on June 20th, 100 yards below the outlet it was 105 degrees which is still not low enough for fish life to survive." Our research scientists have assured me that the kinds and durations of temperatures reported in this memorandum would be fatal to indigenous fish.

The Federal Water Pollution Control Administration has maintained a national inventory of fishkills by pollution since 1962 which consists of a compilation of such kills reported to it by cooperating State and local water pollution and conservation agencies. Since 1962 our inventory contains ten fishkills reported to have been caused directly by heated discharges from electrical generating facilities, all being conventionally fueled. We believe the number of such fishkills to be somewhat higher because the majority of the States are reluctant to and do not report fishkills unless there is a positive proof of the cause and fishkills are not always reported even when the cause is known. A case in point is the above thermal fishkill in the Guadalupe River in Texas which, please note below, was not reported to the FWPCA for inclusion in our inventory of fishkills by Pollution although one at the same location (Victoria, Texas) was reported. The recorded incidents of fishkills where the cause was directly identified as heat discharges from electrical generating facilities follows:

Date	State	Stream or lake	Nearest town or county	Degree of severity	Number of fish killed
Aug. 6-8, 1962	Pennsylvania	Raystown Branch, Juniata River	Saxton	Heavy	3,441
Aug. 11, 1962	Missouri	Discharge Canal to Montrose Lake	Ladue	do	(1)
Sept. 7, 1963	Illinois	Rock River	Rockford	Light	
May 28, 1964	Texas	Unnamed stream	Victoria	do	
Aug. 19, 1965	Pennsylvania	Schuylkill River	Reading	Moderate	1,000
Aug. 20, 1965	Ohio	Greater Miami River	Montgomery County	do	11,250
Jan. 19-22, 1966	do	Ohio River	Toronto	Light	200
Sept. 2, 1966	Pennsylvania	Schuylkill River	Philadelphia	Heavy	50,000
Jan. 1, 1967	Ohio	Sandusky River	Sandusky County	do	300,385
Jan. 17, 1967	do	Sandusky Bay	Erie County	do	78,750

<sup>1</sup> Several thousand.

Please let me know if we can serve you further.

Sincerely yours,

JOHN T. BARNHILL,  
Deputy Commissioner.

A number of people seem to suffer under the misconception that nuclear powerplants are presently free from all regulation from the standpoint of thermal effects. This is by no means true, and Mr. Boyle's article in no way helps to dispel this misapprehension. Quite the contrary. Presumably through oversight, Mr. Boyle neglected to mention the fact that nuclear powerplants, as well as other types of steamplants, must comply with applicable water quality standards, including temperature standards, adopted by the States and approved by the Secretary of the Interior pursuant to the Water Quality Act of 1965. It is my understanding that the standards proposed by nearly all of the 50 States have been approved by the Secretary and are now effective. The owners of plants whose hot water discharges violate such standards can be summoned to court by appropriate State water pollution control authorities—or, if State enforcement actions are inadequate, by Federal authorities—and required to abate the pollution or to effect modifications to the plant to bring it into compliance with applicable standards.

Thus, contrary to the mistaken belief prevalent in some quarters and fostered by Mr. Boyle's article, significant steps already have been taken to combat thermal pollution. The question now is not what ought to be done, but what more ought to be done. One suggestion—one with which I concur—is to complement existing legislation by requiring that Federal agencies which license or otherwise approve activities involving liquid discharges into waterways assure themselves, prior to issuance of the license or approval, that the proposed activity has been reviewed and approved by appropriate State water pollution control authorities. At least as to those activities subject to Federal approvals, this will add an important ounce of preventive medicine to the curative measures already available.

Finally, I believe it is quite unfair to say, as Mr. Boyle does, that "AEC apparently is not interested in preventing thermal pollution." In its own operating programs, the AEC has long recognized the role of thermal effects as a potential problem associated with central station electric generating plants. As part of its research and development programs, both in reactor development and technology and in the biomedical areas, the

AEC supports a sizable program to investigate the effects of various environmental conditions, including thermal, on aquatic life. With respect to discharges into waters from installations owned by or operated under contract for the Commission, the Commission does, of course, comply with all applicable laws and directives and recognizes that it must, in that connection, deal with thermal effects of plant discharges.

When it comes to the exercise of the Commission's regulatory authority and jurisdiction over private companies, however, as distinguished from the Commission's powers to control its own operations, the Commission is without statutory authority to take thermal effects or other nonradiological matters into consideration. In other words, while the Commission can—and does—encourage its licensees to comply with applicable water quality standards, it cannot force them to do so—for example, by suspending or revoking their licenses. Proposed legislation is now pending that would expand the AEC's legislative authority in this respect. In the past the Commission has taken the position that legislation providing for Federal regulation of thermal effects should apply across the board, that is, to both fossil-fueled and nuclear plants, but that if Congress chose to regulate only nuclear plants from the thermal effects standpoint the Commission has or is prepared to obtain the technical expertise necessary to carry out this additional regulatory responsibility.

Meanwhile, the AEC cooperates with the Department of the Interior's Fish and Wildlife Service by obtaining its expert advice and recommendations on all projected nuclear power facilities which would be dependent upon water resources for coolant purposes. In addition to its comments on the radiological health and safety aspects of the proposed facility, the Service also makes recommendations on nonradiological matters, including the thermal effects of the discharge of coolant water in the marine environment. I understand that since January 1968 the Service has routinely obtained the Federal Water Pollution Control Administration's concurrence in their reports to the AEC. Upon receipt of these reports copies are sent to the license applicant calling to his attention the Service's recommendations concerning potential nonradiological effects upon the environment. In addition, copies are distributed to various State and local agencies which might be interested in it.

Typically, the Fish and Wildlife Service reports urge that the applicant cooperate with the Fish and Wildlife Serv-



ice, the FWPCA, and State agencies in developing their plans and designs for the facility, and that the applicant's ecological programs to measure the effect of the plant upon the environment be planned in cooperation with the appropriate Federal and State agencies. They further recommend that, if these pre-operational investigations show that heated water discharges from the plant would be significantly detrimental to fish and wildlife and the environment, plans should be made to reduce the temperature of the effluent to acceptable levels. In a few cases the Service has noted that cooling towers or other facilities should be constructed if needed to insure protection of the environment.

In any event, as I noted above, these plants are fully subject to the water quality standards adopted in the jurisdiction in which they are located, and can be shut down upon court order if operated in a manner which violates such standards. That the adoption of these standards is having its intended effect may be gathered from the fact that water cooling tower systems are being built in conjunction with a number of nuclear power plants now under construction.

Mr. Speaker, I hope the foregoing will help to sort out fact from fiction in these matters. It is clear that as we move toward the 21st century we are going to have to produce more power to keep up with our soaring demands, and we are going to have to do it in such a way as to minimize the effects on our environment. It is equally clear that constructive steps are being taken to help insure that we achieve our twin goals of clean waters and abundant, economical, and reliable electric power.

#### DRAFT REFORM BILL

(Mr. MIKVA asked and was given permission to address the House for 1 minute, to revise and extend his remarks and to include extraneous matter.)

Mr. MIKVA. Mr. Speaker, in June of 1967, the 90th Congress enacted the Military Selective Service Act of 1967. I was not a Member of this body at that time, but if I had been, I would have sought then, as I do now, a more equitable solution to the problem of the draft system.

In 1967, the Congress and the Nation made a wide-ranging and thorough investigation of the draft laws and the Selective Service System. This system was found wanting in many respects; it leaves many young men uncertain for 8 years as to their vulnerability to the draft; it places an unequal burden on the underprivileged who can not afford a college education; and it deprives draft registrants of many basic constitutional rights of due process.

Three Presidential commissions recommended broad-scale changes; leaders of the military recommended changes; leading educators recommended changes; many Members of Congress recommended changes; and the public at large voiced its desire for reforms and revisions. In the face of all this discontent with the draft law, Congress merely extended with minor changes the existing law.

During the interval since the passage of the 1967 act, even more criticism has been heaped upon the draft law and the entire Selective Service System. President Nixon has indicated that he will submit legislation to the Congress to reform the draft system. Senators KENNEDY and HART, two of the outstanding leaders of the Senate, have already introduced bills to reform and revise the draft law. Many Members of this House have introduced their own bills to reform the Selective Service. The call for reforms is clear.

I am pleased to introduce a companion bill to S. 1296, a bill that Senator HART of Michigan introduced in the Senate yesterday. Senator HART's credentials hardly need stating in this Chamber. Suffice to say that he has championed the cause of those seeking reform in governmental institutions that malfunction. I am honored to be associated with him in introducing this bill. Senator HART was one of the early critics of the 1967 law. He predicted many of the complaints that would be leveled against the Selective Service System.

Both Senator HART and I feel that this Congress can enact our proposals with deliberate speed. Most of our proposals have been already considered by Congress and the Presidential commissions. We are not asking for a total revision of the entire Selective Service System and the draft law; we are pointing at the most glaring inequities in the present law in the hope that this Congress will remedy many of the problems.

The time for action is now at hand. We must live up to our commitment to the youth of this Nation to make the draft system as equitable as possible. As Senator HART said in introducing his bill:

The inequities and procedural flaws in the present draft act deprive every 18-year-old male of certain basic constitutional rights.

We must not perpetuate the System merely because it has done an adequate job in staffing our Armed Forces.

As much as I oppose the war in Vietnam and as much as I would like to see us withdraw our troops, I am too much of a realist to think that the need for inducting men into our Armed Forces will disappear overnight. If a volunteer army is feasible and if we can assure ourselves that such an Army would not be a threat to our democracy, I would be in favor of a volunteer army. In my bill I propose that we make a study of the feasibility of such a volunteer army. But any such reform will take time, and right now every male between the ages of 18 and 26 must live with the uncertainties and inequities of selective service.

I would, however, be remiss in not expressing my grave concern over the unrest and violence that has entered so many of our Nation's campuses. I represent a district that embraces the University of Chicago. I am very proud of the university and its student body and it is certainly one of the leading academic institutions in the world. But I have been made painfully aware of the unrest and feeling of alienation that has gripped many of the Nation's campuses. Reform of the Selective Service System will not

bring an end to this unrest, but it will demonstrate that the Congress can respond to legitimate complaints with relevant and timely action.

Let us examine the operation of the Selective Service System.

When a young man reaches the age of 18, he must register with his local draft board. For most men this is their first official contact with the Federal Government. At present, it is far from the standard of procedure that government ought to have for its citizenry. Even worse is the substance of that contact.

Fortunately, it is not difficult to find the direction that reform of the system must take. We have the advice of Presidential commissions and of extensive legislative hearings in 1967.

Title I of my bill would follow the practically unanimous opinion that the burden of the selective service should fall upon 19-year-olds. Under the present system, men under 26 are called, oldest first. This creates great uncertainty for men who have started their careers and their families. Most 19-year-olds have not yet begun careers and are less settled in their lives. If 2 years of service is necessary, for most men it will be less disruptive at the age of 19 than at the age of 25. Moreover, the military leaders feel that they can better train and make better use of 19-year-olds than of 25-year-olds.

My bill would create a prime selection group from which draftees would be selected. The prime selection group would consist of, first, 19-year-olds; second, men between 19 and 35 whose draft deferments have ceased; and third, registrants between 20 and 26 who are not deferred or exempt on the date of enactment. A registrant would be in the prime group for not more than 1 year. In order to allow the President flexibility in administering the act, the prohibition against selecting draftees by lottery—added by the 1967 act—would be repealed. If a registrant were not selected during his 1 year in the prime group, his chances of serving would be greatly diminished; he would most likely be called only in times of national emergency when the number of registrants in the prime group is not sufficient to meet the need of the military.

I hope that by making a registrant vulnerable for only 1 year and by drafting 19-year-olds first, we can eliminate many of the uncertainties and inequities that plague all draft-age men. Only by a fair and impartial selection process can we choose who must serve when not all are needed. I believe that reform along the lines contained in my bill will promote such fairness and equity in the system.

But reform in the order and method of selection is not enough. The procedures of the Selective Service System itself must be overhauled. The Selective Service System, which has the responsibility and duty to select which physically able civilians must serve, must be completely independent of the influence and judgment of the military. Until a registrant takes that traditional step forward, he is a civilian and entitled to all the rights and privileges of civilians. In order to make crystal clear that the military

is not exercising an undue influence over the selection process, my bill would prohibit any member of the Armed Forces from serving as a National or State Director of the Selective Service System. I recommend this, not because I feel that the military has actually taken over the system by placing its own personnel in high positions in the administration, but because I think we will all have more confidence in the working of the system if we know that civilians are making the decisions as to who shall serve when not all are needed.

Under my bill the Director would be appointed by the President by and with the advice and consent of the Senate for a term of 7 years, or until he reached 70, whichever came first. Men over 70 would serve, but only for a term of 1 year. The 7-year term is appropriate to take the appointment out of partisan politics. The position of Director is so important in my mind—both because of his tremendous responsibilities and because all Americans must have confidence in his integrity and judgment—that I think it is high time that we provided him with a salary commensurate with his ability and responsibility. My bill would place the Director at level III of the Executive Pay Schedule. I do not think that \$40,000 is an exorbitant salary for an individual with such awesome responsibility.

Under the present law, members of the local boards and appeal boards are limited to terms of 25 years and cannot serve past the age of 75. I believe that their terms should be no longer than 14 years, and that once past the age of 70 they should be required to retire. These individuals do a remarkable job. I am familiar with the members and work of the local boards within my district. They have performed their duties conscientiously and with distinction. They are unpaid volunteers who receive little recognition for the devoted service that they perform. The only time we hear of the local board members is when a registrant has a complaint. I feel that it is asking too much to have these men feel that they are obligated to serve for 25 years; 14 years of devoted service is more than the country has the right to request. I feel that a term of 14 years is long enough.

Mr. Speaker, I have practiced law for many years in Chicago. It is distressing to me that under present law registrants can never be represented by counsel when they appeal before their local boards on a classification hearing. I have represented clients in civil and criminal courts and before all types of local, State, and Federal administrative agencies. Not once was I denied permission to represent my client. Not once did I have to leave my client to his own resources in arguing his case before a governmental agency. Yet the Selective Service System, by regulation, prohibits an 18-year-old boy from being represented by counsel when his life may literally be at stake.

The statute is over 40 pages long; the regulations are quite lengthy and technical; the Selective Service periodically issues dozens and dozens of memorandums and other information to the local board. How is an 18-year-old boy expected to read and digest material that an experienced attorney might have difficulty

with? If the Congress feels that each registrant should be drafted without exception, then we should do away with deferments and exemptions altogether. It is interesting to note in passing that Congress changed the name of the draft law from the Universal Military Training Act to the Military Selective Service Act precisely because service is not intended to be universal.

As long as Congress provides for deferments and exemptions, each registrant should have the full benefits of the statute and the Constitution. He must be allowed to present his case for a deferment or exemption with full vigor and this frequently requires an attorney. It is only fair that he have the right.

Adding insult to injury, the registrant, under present regulations, is not only denied the right to be represented by counsel at the hearing, he is required to make his own record of what occurs at the hearing. Thus, he is required to present his case for a deferment in an intelligent manner, and at the same time he is expected to take accurate notes to make a record for appeal.

My bill specifically provides that each registrant may present evidence and be represented by counsel at any personal appearance before a local board. Moreover, the local board is required, at the expense of the Government, to make a record of the proceedings and furnish this record on appeal.

The Selective Service System argues that a registrant does not need to be represented by counsel because of the Government appeal agent system. A Government appeal agent is assigned to each local board and in theory the appeal agent is available to advise the registrant of his rights and help him make an appeal. I say in theory because the Marshall Commission found that most Government appeal agents never see any registrants. They are unpaid volunteers who are not sought out by registrants.

In general, appeal agents rarely appear at the local board and most registrants are unaware of their existence. But perhaps this is for the best, since the Government appeal agents are required to serve two masters. They are also responsible to the local board. Under a directive from the Director of the System, the Government appeal agent is required to appeal a classification if he thinks it disadvantageous to the Government. Even worse, the agent is supposed to put on record any information that he may obtain from the registrant that might indicate he should not be deferred. Thus, a registrant may in confidence impart information to the agent and then find out that this information is the basis for denial of his request for a deferment. What respect will an 18-year-old boy have for his Government when he learns that the Government agent specifically assigned to help him actually turns out to be his enemy? What respect should we give such a procedure?

I propose that a registrant appeal agent be assigned to each local board. The registrant appeal agent would be responsible to the registrant alone. He would be required to provide each registrant with advice as to classification at the time of registration, and would be available to provide advice and counsel to

the registrant at any point within the classification process.

This service would be available to indigents as well as to the more affluent. Nothing would prevent a registrant from employing counsel of his own choice. In order to assure that the advice will be meaningful, my bill requires that each appeal agent be a member in good standing of the bar of the State in which his local board is situated. Registrant appeal agents would be paid by the Government on a basis of \$75 for each full day of work.

The 1967 amendments did not improve upon the then existing law, but they did add two amendments that are repugnant to my sense of due process. One 1967 amendment prohibited judicial review of a registrant's classification or processing by the Selective Service System except as a defense to a criminal prosecution. This strikes me as basically unfair. A registrant may have a valid ground for appeal of classification, but he cannot make his case until he is indicted for violation of a statute. It is not impossible to imagine a case where a registrant might be denied a deferment because of race or because of his unkempt physical appearance. Must he be denied the protection of the courts even in obvious cases of prejudice? The answer must be no. My bill would repeal this prohibition on judicial review.

The second 1967 amendment I object to is the one that requires the Department of Justice either to prosecute violators of the act upon the request of the Director of the Selective Service System, or to report to Congress why it did not prosecute. This most likely is as illegal a delegation of authority as ever came down the pike.

The Director of the Selective Service is in no position to determine whether a criminal violation has occurred. The Attorney General is the only officer who can institute a prosecution, and I have more faith in the experience and expertise of the Federal prosecutor than I do in the Director of Selective Service to determine what constitutes a criminal offense. My bill would repeal this highly questionable and vindictive provision.

The last point of my bill would establish a Presidential commission to study and investigate the desirability and feasibility of an all-volunteer Army, the desirability and feasibility of establishing a National Youth Corps as an alternative to service in the Armed Forces, and the desirability and feasibility of altering the length of service of members of the Armed Forces. The commission would consist of the Secretary of Defense; the Secretary of Health, Education, and Welfare; the Secretary of Labor; a member of House Armed Services Committee; a member of the Senate Armed Services Committee; and two private citizens. The President would be required to submit to Congress within 9 months the results of the commission's study along with any recommendations for changes.

I hope that the study will produce a satisfactory alternative to the selective service as we now know it.

In the meantime, I am confident that if my bill is enacted in the near future, many of the harsh inequities and uncertainties that exist in our present draft



laws and Selective Service System would be eliminated.

Mr. Speaker, I include a section-by-section summary of the Selective Service Amendments Act of 1969:

#### SECTION-BY-SECTION SUMMARY OF SELECTIVE SERVICE AMENDMENTS ACT OF 1969

##### SHORT TITLE—SELECTIVE SERVICE AMENDMENTS ACT OF 1969

##### PRIORITY FOR SELECTION

SEC. 101. (a) Provides that Selection of persons for induction will be made from the Prime Selection Group (after the selection of delinquents and volunteers) in a fair and impartial manner (under rules and regulations established by the President) without regard to actual age, to the extent that such group has sufficient numbers to meet military service requirements.

(b) Provides that the Prime Selection Group will be made up of men who are:

(1) between 19 and 20 and not deferred or exempted;

(2) 19 or over and who are deferred after the effective date of this Act and whose deferments end before age 35;

(3) between 20 and 26 on the effective date of this Act and who are not deferred or exempted.

Requires that in no case shall any registrant be placed in the Prime Selection Group for a total period longer than one year.

(c) Technical, conforming amendment.

(d) Provides that these amendments will be effective 90 days after the date of enactment of this Act.

##### APPOINTMENT OF THE DIRECTOR

SEC. 201. (a) Provides that the Director of the Selective Service System shall be appointed by the President with the advice and consent of the Senate for a term of 7 years, or until age 70, whichever is earlier. The appointment for a person over 70 shall be for only one year. The Director may not be a member of the Armed Forces.

(b) Provides that the Director shall be paid at Level III of the Executive Pay Schedule.

(c) Exempts present Director from these provisions.

##### APPOINTMENT OF STATE DIRECTORS

SEC. 202. Requires each State Director to be a civilian and provides for the employment of civilians in the administration of the Selective Service System. Although it does not expressly prohibit the detail of members of the Armed Forces to the Selective Service System, it removes the language that expressly provides for such detail.

##### LOCAL AND APPEAL BOARDS; REGISTRANT APPEAL AGENTS

SEC. 203. (a)(1) Technical provision, maintaining present authority for members in the Reserves of the Armed Forces to act as counselors to registrants.

(a)(2) Provides that no member may serve on a local or appeal board for more than 14 years, or after age 70. It also provides that no one can be denied membership on either a local or appeal board because of race, religion, creed, color or sex. It also provides for the assignment to each local board of a Registrant Appeal Agent who is responsible solely to the registrant. This appeal agent shall advise each registrant of his rights on registration and provide counsel if the registrant so desires it. The appeal agent must be a member in good standing of the State bar in which his local board is located.

(a)(3) Requires the local board to furnish a complete record of the registrant's appearance before the local board to the appeal board. It also provides that the registrant may have the advice and counsel of a Registrant Appeal Agent in preparing memoranda for his appeal. It also repeals the statutory prohibition of judicial review of a registrant's classification or processing except as defense to a criminal prosecution.

(b)(1) Technical, conforming amendment assuring that the Director and State Directors may not be members of the Armed Forces.

(b)(2) Provides that Registrant Appeal Agents shall be paid \$75 for each day of work spent advising and counseling registrants.

##### PERSONAL APPEARANCE AND THE RIGHT TO COUNSEL

SEC. 204. Provides that registrants may appear in person and present evidence and be represented by counsel before the local board.

##### REPEAL OF DIRECTOR'S POWER TO REQUIRE PROSECUTION

SEC. 205. Repeals the requirement that the Department of Justice either prosecute violators of Military Selective Service Act upon the request of the Director of the Selective Service System or report to Congress reasons for not prosecuting.

##### PRESIDENTIAL COMMISSION

SEC. 301. (a) Establishes a Presidential Commission to study the possible alternatives to staffing the Armed Forces. The Commission shall consist of the Secretaries of Defense, of Health, Education, and Welfare, of Labor, a member of the House Armed Services Committee, a member of the Senate Armed Services Committee, and two private citizens.

(b) Provides that the Commission shall investigate the establishment of an all volunteer army, the establishment of a National Youth Corps as an alternative to service in the Armed Forces, and the altering of the length of time of service in the Armed Forces.

(c) Provides that the President shall submit the results of the Commission's study to Congress within nine months after the enactment of this Act.

##### AUTHORIZATION FOR APPROPRIATIONS

SEC. 302. Authorizes to be appropriated such sums as are necessary to carry out the provisions of Section 301.

#### AEC BUDGET REQUEST

(Mr. SAYLOR asked and was given permission to extend his remarks at this point in the Record, and to include extraneous matter.)

Mr. SAYLOR. Mr. Speaker, there is a serious hitch developing in the atomic power program.

Nuclear electric stations are not keeping schedule with projections. Delays are occasioned in construction and because of unpredicted safety problems, but the economics of generating power through employment of the atom is bringing a new hesitancy on the part of utilities.

The Atomic Energy Commission itself has admitted that stores of low-cost uranium are so short as to be cause for concern. Chairman Glenn T. Seaborg has said that at the current official price of \$8 a pound, economically recoverable uranium reserve total only 148,000 tons. A price rise to \$10 a pound would expand reserves to about 200,000 tons but still leave supply below demand, he said.

Dr. Seaborg also said that the cost of building a nuclear plant has arisen to highs of \$200 per kilowatt of capacity from lows of about \$90 per kilowatt in the mid-1960's.

The latest word on the accomplishments of the civilian reactor program to an important extent subsidized by this Government is that Niagara Mohawk Power Corp.'s atom plant under construction near Oswego, N.Y., will produce electricity costing about 50 percent

more than the cost of power from a coal-fired plant in the same area. Despite this disparity and the question of uranium supply, AEC has asked for another \$137 million to conduct the civilian power reactor program in the next fiscal year. To me it is indisputable evidence of the need for a thorough study of the AEC's entire nonmilitary activities before permitting the expenditure of another dollar of Federal funds for this purpose.

In the 90th Congress, I introduced a resolution calling for investigation of the AEC's civilian reactor program. Twenty-six of my colleagues introduced identical resolutions. On January 3, of this year I introduced House Joint Resolution 83, for the same purpose, and I would hope that—particularly in view of the above data which I have quoted from the AEC—the House will quickly adopt this measure.

Mr. Speaker, one of the most persuading testimonies on the need for such an investigation was presented by Brice O'Brien, general counsel of the National Coal Association, to the San Diego chapter of the American Nuclear Society on January 21 of this year. Mr. O'Brien has stated very succinctly how the AEC is overselling atom power to the American public without justification.

My colleagues will find Mr. O'Brien's paper highly informative. Mr. O'Brien, who is not an engineer, resorts to no jargon that might be confusing to a reader of limited technical knowledge. Long established as an outstanding tax lawyer, he has become a thorough student of the atom's subsidized incursion into the electric generating field. In consequence, he has appeared before numerous scientific and engineering groups interested in obtaining more objective reports on AEC activities than are otherwise available. His address follows:

REMARKS OF BRICE O'BRIEN, GENERAL COUNSEL, NATIONAL COAL ASSOCIATION, TO THE SAN DIEGO CHAPTER, AMERICAN NUCLEAR SOCIETY, JANUARY 21, 1969

As I speak to you tonight, I have some knowledge of how Daniel felt in the lions' den—but I've faced this situation on previous occasions, and I have come to the conclusion that I actually do have something to contribute to your thinking. There has been such an "oversell" of atomic energy that many people have lost sight of some rather fundamental facts of life in considering the energy picture of the future.

Let me make it clear at the outset that we are not trying to halt the development of atomic power. Whether or not the Government was justified in making the huge effort which brought the atomic power industry into existence is, at this late stage in the game, relatively immaterial. We recognize that atomic power is here, *perhaps* to stay. More about the *perhaps* later.

We are trying to show people why atomic power will not grow any faster than—if as fast as—the rate now forecast by AEC. If we are correct—if atomic power takes no more than half of the electric utility market by the end of the century—the coal industry has a very bright future. Unfortunately, the oversell of the atom has led many people to the erroneous conclusion that the coal industry is on the way out. Even the AEC says that isn't so, but the message too frequently gets lost in the glamor surrounding the atom.

What are some of the fundamental facts which have been lost sight of? Let's start with the supply of coal. I'm sure many of you are convinced that we must push atomic

power as fast as possible to avoid running out of coal. It is, of course, true that reserves of coal are finite, and if civilization survives long enough, eventually we will run out of coal—but the question is, how soon? We are producing a little over half a billion tons of coal per year in the United States. How much do we have left?

I have brought with me for distribution a 1968 release by the U.S. Geological Survey, showing coal reserves on a state-by-state basis. The Geological Survey thinks we have about 3,200 billion tons and that we can recover about half of that amount, or 1,600 billion tons. Remember, this compares to our present production of a little over half a billion tons per year.

Of course, some of that coal will be more expensive to produce. But even on that point, the Bureau of Mines concluded a few years ago that about 220 billion tons of coal can be recovered, with today's technology, "at or near" present costs. If the technology improves, then, of course, greater quantities will be recoverable at the same cost level.

As the years go by, we expect very substantial increase in coal production—and this naturally will decrease the reserves in terms of remaining years of supply. Well before the end of this century we expect to double our coal production. But even if it doubles and then doubles again, our coal reserves have to be measured in centuries, not in years.

Unlike uranium, the distance of coal from the market is important from a cost standpoint—and it will remain important unless, at some time in the future, long distance transmission of electricity becomes extremely low cost, or we develop low cost methods of converting it to liquid or gaseous fuel. The Geological Survey shows the coal reserves by states, and you will notice that some of the western states are in particularly good shape on this—such as Colorado, Montana, New Mexico, North Dakota, Utah and Wyoming. Already long distance transmission of electricity is making some of those coal reserves available to the West Coast. I'm sure you know that construction of coal-burning plants to send electricity to California is well under way, as far east as New Mexico.

The coal industry does have some problems. For example, much of the western coal is located in areas where it is difficult to find the water supply necessary, with today's technology, to make electricity. In such cases, it will be necessary to take the coal to water, by unit trains or coal pipelines. Eventually, in the distant future, it is reasonable to anticipate new methods of generating electricity, which will require less water. There are several such methods which show promise, but as you know most of the Government's energy research funds have been devoted to atomic power during the last 20 years, to the neglect of these possible new methods of generating electricity with coal.

Another serious problem for coal is the demand that sulphur oxide emissions be curtailed or eliminated. Most of the western coal has a low sulphur content, so the problem will not be as severe as in many areas of the East. We are hopeful that a practical solution to this problem is only a couple of years away. In fact, one method of removing sulphur from the stack emissions is incorporated in a plant which is already operating, and another method of doing so is being installed in a plant now under construction. We expect the cost increase for sulphur removal will be about a dollar per ton of coal burned, or somewhat less than that, but it is a bit too soon yet to get dogmatic about such estimates. The various processes for removing sulphur are discussed in some detail, with cost estimates, in the recent report of the President's Energy Policy Staff on "Considerations Affecting Steam Power Plant Site Selection." As that report notes, some of the processes being worked on may even break even after credit for sale of byproducts.

We are encountering a few problems with respect to manpower—a problem not un-

common with other industries. In our case, it was complicated for a while by the oversell of atomic power, but our companies are now finding it possible to convince young men that the atom isn't going to run coal out of business and that coal offers a good long-range future, with the highest basic wage rate of any major industry.

One more feature of the coal industry is worth spending a couple of minutes on. For 80 years the coal industry was plagued with overcapacity, because it didn't cost much to open a new mine. When the country needed 200 million tons, we had mines capable of producing 400 million tons. When our market got up to 400 million tons, we had mines capable of producing 600 million. The result was that nobody made any money, except in wartime periods of accelerated demand. In addition, this situation caused a great deal of labor strife, because lack of profits imposed a necessity to try to hold down costs. As the U.S. Supreme Court noted, the history of the coal industry was written in red ink and blood.

As late as 1962, the Atomic Energy Commission in its Report to the President took note of this situation. In the Appendices, page 16, there was the following perceptive comment:

"The coal industry is an important national asset and is expected to supply increasing energy requirements during the remainder of the century, even under conditions of a rapidly growing nuclear power industry. The coal industry cannot be expected to expand to do this under subnormal profit conditions. The industry's need for capital is unlikely to be satisfied by either investors or lenders if returns on capital continue at such low levels. It seems from the foregoing that any real evaluation of the future of coal prices should start not from present depressed prices but from a current figure of perhaps \$5.25 per ton, a figure that includes taxes and a profit that may be sufficient to attract the capital required for future expansion."

We still haven't hit that \$5.25 per ton figure, on the average for steam coal, but I do want to point out that AEC's 1962 prediction about the coal industry being forced to make some profit is being borne out. Part of the reason can be ascribed to the threat of atomic power. It is no longer cheap to open a new coal mine. Today, you have to spend a lot of money buying some pretty expensive equipment. This equipment, of course, has increased productivity—we produce about 19 tons per man per day in the United States, compared to something like three or four tons per man per day in the rest of the world. Without the high productivity, we couldn't pay the wages we do and still compete with other forms of energy. But it means you have to invest quite a bit of money to open a new mine. A few years ago all the propaganda about atomic energy scared our people to death, before we realized that somebody is going to have to find a great deal of uranium even to keep the atom going. As a result, new mines have not been opened on speculation, and we have gotten rid of excess capacity. You know, just to maintain capacity, you have to open about 20 or 25 million tons per year in new mine capacity, because a mine is calculated to last 20 or 25 years. In order to expand capacity at the rate necessary to meet the nation's demands for coal, this means you have to open new mines each year with capacity of 40 or 50 million tons. At \$5 to \$10 per ton of annual capacity, that means a lot of new capital every year—almost half a billion dollars a year. That might not be much money to the oil industry, or to the AEC, but it is a lot of money to the coal industry. For several years new mines have been opened only with a long-term, guaranteed market for most of the output. The result is that, today, our capacity just about equals our market. Our industry is making a few dollars, for a change—not an exorbitant

amount, but at least a return on investment. There is no point in hollering at the coal industry for this situation—it is purely and simply a result of the free enterprise system. If a man can't get at least 5 per cent return on investment in a coal mine, he would be a fool to invest in it, because he can put it in common stocks and do better.

I don't mean to say that we will never again be a "moving target." We have some pretty sharp brains in the coal industry. Right now I don't think it would be sensible to forecast a decline in the cost of coal, faced as we are with the necessity of sulphur removal and problems of that sort which are going to cost money. In the long run, however, I see no reason why the coal industry's history of productivity achievement cannot be continued, and perhaps it can be continued to the point where costs will be reduced in spite of the problems confronting us. But the utilities never again will be able to rely on the "spot purchase" market—where they used to wait and buy coal on a month-to-month basis from the cheapest bidder. From now on, and they know it, they are going to have to enter into long-term coal contracts if they expect to have coal available when they need it. And this has a connection with the possibility that atomic power plants will be late coming on line—the utilities that have not entered into long-term coal contracts are going to have trouble finding additional coal available when they need it.

I'd like, now, to turn my attention from the coal industry to atomic power. Let's take a short glance at today's picture of competition between the two.

A coal-burning plant ordered today will cost about \$135 per kilowatt of capacity. With a plant factor of 80 per cent, and with a 14 per cent carrying charge, this gives a capital carrying charge of about 2.7 mills per kilowatt hour. The average cost of bituminous coal delivered to utilities has been about 25 cents per million Btu, and coupled with a heat rate of 9,000 Btu per kwh, this gives us a fuel cost of 2.25 mills/kwh. When we add operation and maintenance of 0.3 mills, we wind up with a total cost for coal power of about 5.25 mills per kwh.

A nuclear plant ordered today will cost about \$170 per kw, for a capital carrying charge of about 3.4 mills per kwh. With \$8 per pound yellowcake, 88 cents per pound of yellowcake for conversion to feed, \$26 per unit of separative work, \$90 per kilogram for fabrication, 10 per cent carrying charge on fuel inventory, \$40 per kilogram for reprocessing, and a plutonium value of about \$8 per gram, the anticipated fuel cycle cost for the light water reactor is about 1.8 mills/kwh. Adding .42 mill for operation and maintenance, it appears to us that atomic power from plants being ordered now, if they work as well as expected, will cost about 5.62 mills/kwh.

We know, of course, that it is possible to juggle these figures to reach almost any result you want—primarily because the atomic costs are still merely forecasts, and when there is no experience to rely upon you can write your answer first and then work backward. We know, too, that the atomic proponents are forecasting that fuel cycle costs will go down a great deal in the years ahead—due primarily to mass production and the "learning curve." Recent events, however, have indicated that the atomic fuel cycle costs may go upward, not down, even if these plants work as well as expected—because many companies have been trying to "buy into" the nuclear business with loss leaders, and they are rapidly reaching the point where they must charge enough to make a profit or else get out of the game. Further, we believe there will be a very substantial increase in the cost of uranium within a few years after reactors ordered today are put into service.

As indicated, our computations lead us to believe that, on the average, a coal plant



is nearly .4 of a mill per kwh ahead of atomic at this stage. If sulphur control adds nearly a dollar a ton to the cost of using coal, that will wipe out the difference. Thermal pollution will add to the cost of using coal, too—but it will add 50 per cent more to the atomic costs because the atomic plants emit about 50 per cent more heat to the water than a coal-burning plant. The "guesses" (according to AEC's "Current Status and Future Technical and Economic Potential of Light Water Reactors") are that control of thermal pollution will add about .24 mills/kwh to the cost of atomic power, so coal's advantage here should amount to about .08 mills/kwh.

What of the future as far as competition goes? Well, we in the coal industry do not consider the light water reactor to be a permanent competitor, because we believe it will be impossible to find enough low-cost uranium to meet the scheduled growth of atomic power through the end of this century, if we have to rely on light water reactors. Without the development of a competitive breeder reactor, we believe that atomic power is doomed to be merely a passing curiosity in the annals of history. To explain the reasons for that belief, it is necessary to repeat some rather well-known figures about yellowcake reserves and yellowcake consumption.

In the last couple of years the AEC has reduced rather substantially anticipated yellowcake requirements by reducing the tails assay of the enrichment plants and by upgrading anticipated performance from future fuel cores. Even so, AEC estimates (page 11, "Forecast of Growth of Nuclear Power, December 1967") that the average light water reactor will need .69 of a ton of yellowcake per megawatt for start-up and will have net requirements of .13 of a ton per megawatt per year, if plutonium is recycled. Figured over a 30-year lifetime, that comes out to about 4.6 tons of yellowcake per megawatt of light water reactor. AEC expects we will have some 734,000 megawatts nuclear by the end of the century. If we do, and if it is all light water, that capacity means we will have to produce over 3½ million tons of yellowcake for these reactors alone.

A quick look at known reserves of yellowcake, together with "estimated additional," shows that such a quantity means. As far as "known" reserves are concerned, it depends on what definition you are reading—but they are somewhere under 200,000 tons. Counting some by-product sources, AEC postulates that about 380,000 tons of uranium reserves are "reasonably assured" at a cost of \$10 per pound. AEC also estimates another 480,000 tons of possible additional reserves in this price category, if they can be found. In addition, AEC estimates another 700,000 tons in the \$10 to \$30 price range. When we add all these together, we come up with possible uranium resources in the price range of \$30 per pound of 1,560,000 tons. That's not a very large amount—it is less than half the amount we would need to feed the atomic power plants built between now and the end of the century, if they were all light water reactors, and if AEC's projections of atomic growth turn out to be correct.

It is true that AEC estimates we have a great deal more uranium in the crust of the earth, if price is no object. But in the light water reactor, price is an object. There is no use talking about uranium costing more than \$30 per pound of yellowcake if it is going to be used in non-breeder reactors, at least in the U.S. Every dollar added to the cost of a pound of yellowcake amounts to about 0.83 of a cent per million Btu in terms of competitive coal. If coal and atomic power are competitive, at current prices, at about 24 cents per million Btu for coal, then a \$30 per pound price for yellowcake would make coal competitive at 42 cents per million Btu. There isn't any point in speculating about higher prices—coal isn't going to cost any more than that in the United States for an extremely long time to come.

Before I leave this subject of uranium reserves, let me refer to an argument that has been thrown at me a hundred times. Fifty years ago we were running out of oil and gas, I am told, but we still have a lot of it—won't the same be true of uranium? Maybe it will be. I don't know, and nobody else knows—only time will tell. But I want to point out that gold, which sells for \$35 an ounce (not \$8 a pound) is found throughout the crust of the earth and in the oceans. Nevertheless, it is found in such dilute quantities that it cannot be produced profitably for \$35 an ounce. In the 1962 Report to the President, the AEC estimated that about 99 per cent of the earth's uranium reserves are in such dilute quantities that they will cost from \$100 to \$500 a pound to produce. The AEC may have been wrong in 1962, or they may have been right. Time will answer that question. But I point out to you that a great search for uranium has been under way for almost three years now, and we still don't hear any boasting about what has been found—the boasting is still confined to the number of holes that have been drilled. I find it amusing to note that nobody finds a thousand tons of yellowcake anymore—they find 2 million pounds of it. Makes it sound more impressive, doesn't it? How long does this go on before we get realistic about reserves?

For the foregoing reasons, we take it for granted that the atomic power industry cannot long survive without a breeder. Now, then, as to the breeder. How much is it going to change the picture?

Well, of course, there are a few problems in the way right now. I'm sure you are all familiar with the materials problems. Apparently it will be many years before we even know what causes these problems, and it will probably be a very long time before we know what to do about them. Until we do, we just aren't going to get the kind of fuel exposure necessary for a really successful breeder. In addition, of course, we are faced with the fact that the "alpha" problem is worse than anticipated. So from the purely technological standpoint, it seems to us that the successful "breeder" is quite a long way off yet.

From the standpoint of economic competitiveness, the breeder seems to be even further away. As I read the situation, the AEC hopes to build about three subsidized demonstration breeders, and after they are in operation—sometime in the 1980's—AEC thinks it will be possible to offer to industry breeders with a total power cost of under 7 mills a kilowatt hour. About four mills of this will be made up of capital cost—some \$200 per kw or more, with slightly over 2 mills for fuel cycle cost, and the rest representing operation and maintenance other than fuel. From that point forward, AEC hopes, mass production will bring the cost of power down. But there's the joker. How are you going to get mass production of a machine that can't compete with coal?

I think this is the biggest problem overlooked by the proponents of the breeder—the fact that mass production economies cannot be achieved for the breeder until it can compete with coal. The breeder may very well be economically competitive in the high fuel cost areas of the world, such as Europe and Japan, within the next 15 or 20 years. But in the United States the situation is greatly different. In Europe and Japan the breeder will compete with fossil fuel costing \$12 and \$15 a ton, but with our abundant supply of low-cost coal the breeder in the U.S. is going to have to compete with \$6 to \$8 per ton coal. I think this is one reason why other countries are dashing ahead into the actual construction of experimental breeder reactors—they can use such machines even if the power produced is high cost power. In countries like that, the breeder has to compete primarily with nonbreeders, and the high cost of uranium

will drive nonbreeders to the wall in the next 15 or 20 years. But in the U.S. the breeders are going to have to compete with low-cost coal for a very long time into the future, and even after the Government has spent billions of dollars to promote them I think it is very questionable whether they will be able to make the grade until that distant day when our reserves of low-cost coal are approaching exhaustion.

There used to be a rather widespread impression that we won't have to worry about shortage of uranium once we perfect a breeder, if that breeder can afford to use high-cost uranium. Even if a breeder with a short doubling time is developed, there will be a need for large quantities of newly-mined uranium for a long period of years—long enough to phase out all existing light water reactors and to put the entire breeder system on a self-sustaining basis. During that transition period, the existing light water reactors will have to compete with foreign light water reactors and with breeders for the uranium available. There will not be one yellowcake price for breeders and a lower one for nonbreeders. There will not be one yellowcake price for foreign light water reactors and a lower one for domestic LWR's. Under these circumstances, I find it very difficult to understand how utilities can afford to keep ordering light water reactors at the rate forecast for the next 15 years—and in fact I believe that they will not do so. I believe that within a few years the growing understanding of the uranium reserve situation will result in a definite slowdown in the rate of growth of light water reactors, with industry adopting a policy of waiting for the development of successful and reliable breeder reactors. This falling off in LWR orders should come, in my opinion, about five years from now, because by then I think it should become apparent that new reserves of uranium will not be readily available at the low cost needed to compete with coal in the United States.

We in the coal industry have never objected to Government research in the energy field—and that, of course, includes Government research in atomic energy. We do, however, believe that coal is being discriminated against in the allocation of this research effort, and we believe more attention should be paid to the development of more efficient methods of producing electricity from coal. We have little doubt that systems like MHD could be developed more quickly and much more cheaply than the breeder reactor, and we believe such systems would be of more benefit to the consumer and to the environment than the breeder would be.

There are some other Government policies in the atomic program to which we do object, however—so far, without much success. For example, we think the Government's policy with respect to the uranium stockpile is wrong. AEC has announced its intention to dispose of this stockpile at \$8 a pound, a figure which will not recover any part of the Government's cost of interest. There is no reason why Government shouldn't recover its cost of interest, by compounding that interest from average date of acquisition to date of sale. The Government realized a net profit of \$2 billion from the disposal of the silver stockpile, and we see no reason why it shouldn't at least break even from the disposal of the uranium stockpile.

We have objected, without success, to the extension of that part of the Price-Anderson Act which exempts utilities and reactor manufacturers from liability to the public for the damages in excess of \$560 million. We feel that any utility which doesn't have confidence that \$560 million will cover the damage simply should not build the plant, and we further feel that the public is being deprived of a safety incentive by the elimination of financial responsibility for accidents.

We have also supported the idea that AEC's

regulatory functions should be made separate and independent from its promotional functions. The law directs AEC to promote the use of atomic power as fast as it can, and at the same time it directs AEC to regulate power plants to protect the public safety. In this way, the law imposes upon AEC a conflict of interest. As atomic power plants fail to perform up to expectations, and as the difficulty of meeting coal's competition rises, we think it is only human nature to expect industry to bring pressure on AEC for permission to do some corner-cutting. Historically, one of the problems with Government regulation has been that a regulatory agency tends to become a captive of the industry it is regulating. The danger is much more serious here, where the regulatory agency is charged by law with promoting. The public is entitled to the protection of an independent regulatory agency.

Our most bitter complaint, however, deals with what we call the "oversell" of the atom. I think you are familiar with what I am talking about—the predictions that atomic power will transform the earth into Paradise. Since we started complaining about this, there has been some easing-up, but even yet we find the AEC discussing, as though they were just around the corner, agro-industrial centers and blooming deserts.

I realize, of course, that predictions like that make it easier to sustain appropriations of billions of dollars a year. I submit, however, that the "oversell" of the atom harms the national economy. It tends to cause people to overlook some of the very serious policy questions involved in the direction of our atomic program. Moreover, it jeopardizes the future availability of the energy which our country will need—both atomic and fossil. It jeopardizes the future availability of atomic energy, because it results in increased construction of nonbreeders which waste scarce fissile material. It jeopardizes the future availability of fossil energy, because it shakes the confidence of the investors who must decide whether to take the capital risks required to make fossil fuels available. It also increases the difficulty of attracting necessary manpower to the coal industry.

Everything atomic automatically makes headlines, and even though AEC frequently states that the use of fossil fuels will have to continue to increase, such statements are frequently drowned out by the fanfare for the atomic glories to come. In this manner, members of the public and of Congress are frequently misled into believing that atomic energy will soon make our fossil fuels obsolete.

I don't believe this "oversell" of atomic power is justified. In the first place, there is considerable doubt at this time whether the light water reactors will ever produce power as cheaply as low-cost coal. At best, the non-breeder will be able to reduce the cost of power slightly—not enough to revolutionize our way of living, by any means. As to the breeder, I find it difficult to see how the cost of power can ever become lower than about 4 mills per kilowatt hour, even if the fuel cycle boils down to almost nothing. But even if the breeder could some day produce 2 mill power—a figure which I find incredible even for the long-range future—would it really revolutionize our way of living? For many years Bonneville Power Administration sold power at 2 mills (notice I said "sold," not "produced"), and it didn't cause drastic changes in the national way of life.

Why not? Let's see what 2 mill power really amounts to: That's 60 cents a million Btu, in terms of heat. We are still delivering coal for about 25 cents a million Btu. How is 2 mill power going to change so many things? Oh, of course I know that if an atomic plant could produce electricity for 2 mills, it probably could produce just plain heat for about half of that—but that would still be about 30 cents per million Btu, and heat at that price isn't going to revolutionize the econ-

omy. It won't make the deserts bloom—at least not until the necessity of producing additional sources of water becomes so overpowering that we are forced to devote a very large part of our total resources to that task.

On the subject of desalting, let me quote from my testimony of September 19, 1966, before the Senate Interior Committee, with respect to the subsidy for the dual-purpose plant to furnish water to the Metropolitan Water District:

"Man must, of course, have water. But it must be the cheapest water available . . .

"Why, then, is this plant proposed? In my opinion, it is being proposed as the result of considerable salesmanship, and perhaps some arm-twisting, in a premature attempt to give a semblance of reality to the optimistic predictions about what will happen in the distant future. I do not believe that the 27 cent figure, as high as it is, truly reflects the full costs of the water to be produced in the MWD plant . . .

"It isn't merely money and uranium that is being wasted here. It is also time, attention and talent which is badly needed in other areas. Money allocates resources, and we believe the allocation of this amount of resources to the obtaining of high cost water from desalting will be injurious to the programs that should be given higher priority in the water field. Those programs involve water management, water transportation, water conservation, and reclaiming of water. In some few instances, none of these alternatives will be available, and the only solution to requirements for water will be furnishing high cost water through desalting. But in those instances the quantity of high cost water which will be useful will be much smaller than the amount to be produced at the MWD plant. And conventional fuels are, of course, the least expensive source of heat for small plants . . .

"The MWD plant will involve a non-breeder. . . . Even if desalting on a large scale must some day be paid for by mankind, the energy to do it will have to be furnished by breeder reactors of the future or by plants using fossil fuels. There is little chance that the vast quantities involved could be supplied from yet-to-be-discovered supplies of low-cost uranium, if used in a non-breeder."

You may wonder why I am repeating my remarks of more than two years ago, since the MWD project has fallen on its face in the meantime. The reason I do so is that Commissioner Ramey hasn't given up yet—he is still trying to force somebody, somewhere, to build a nonbreeder to furnish high cost desalted water, even though it is now readily apparent that nonbreeders will never produce water at a bearable cost. Commissioner Ramey doesn't care about the cost—he just wants to see this thing work, whether it is worth it or not. I quote to you from a speech he made at the Symposium on Nuclear Desalination in Madrid, Spain, on November 18, 1968:

"We must cut through the underbrush of economic criteria, opportunity rates of interest, and priorities on capital, and face up to the need of full-scale first-generation demonstration plants."

Let me read that to you again . . . What is he saying? I think he is saying, "Who cares whether it is worth it or not; let's build it." That kind of thinking could get us into some real trouble, if carried far enough. You know there has been a lot of talk about building a huge dual-purpose atomic plant in the Middle East, to help settle the troubles between Israel and her neighbors. I think such a plant would unify them all right—they would join hands in opposition to the United States, in retaliation for saddling them with such a white elephant.

After all, what is to be proven by the construction of a huge desalting plant which is known from the beginning to be unecon-

omic? We already know that atomic power plants will produce heat. We already know that heat can be used to desalt water, at high cost. High cost water can be useful in small quantities—but for the next 20 years high cost water will not be useful in huge quantities. So why build these plants? I do not believe that taxpayer funds should be used to help build a \$700 million monument to the memory of James Ramey.

Another policy area of interest to us is the question of how the Government gets out of the uranium enrichment field. This is going to be a serious problem in the near future, and this year Congress is expected to consider ways and means of turning the existing three plants over to a private enterprise. That is going to be complicated by the AEC's long-term contracts to do the enrichment for the rest of the world. We sympathize with AEC's efforts to restrict the number of members in the atomic bomb club, but I hold the personal conviction that other countries will build their own enrichment capacity no matter how attractive our price may be. We are, of course, interested in the price to be paid by industry for the existing three plants, but to us the primary objective is to have Government announce as soon as possible that no more Government funds are going to be spent on enrichment capacity—either in expanding existing facilities or in constructing new facilities. From now on this job should be left to industry—and we think there is a reasonable chance the Congress will feel the same way.

I hope you have the patience to bear with me while I discuss one further item of policy. It is my personal conviction that, by encouraging the construction of nonbreeder reactors, we are running the risk that we are "feeding the seed corn to the hogs."

As the members of this group know, the only fissionable material found in nature is U-235, which constitutes 7/10 of 1 per cent of natural uranium. This is the only material we have to use as the "trigger," or "seed corn," for starting breeders. There is no fissile material in thorium.

In using this limited fissile material in light water reactors, rather than saving it to start breeders, we are running the risk of incurring an extremely heavy economic penalty for future generations. Everyone seems to assume that, when breeders are developed, we will start breeders with nonbreeder plutonium and fill the void with additional nonbreeders. That might happen if we find unlimited quantities of low-cost uranium, but it cannot happen if the cost of uranium rises substantially—because the nonbreeders will be unable to compete with low-cost coal. When and if that happens, the additional breeders will have to be started (if at all) with U-235. The cost of that U-235 will be important.

AEC believes that in 1988 we will have 333,000 megawatts of nuclear capacity. If so, and if it all operates at 80 per cent plant factor, the 1988 production of plutonium will be 66,600 kilograms. If the total in-core and out-of-core plutonium inventory of the breeder is 4 grams per kilowatt, we will be able in 1990 (two years after the plutonium is produced) to start 16,650 megawatts breeder capacity. If the growth of nuclear capacity is to reach the rate forecast by AEC, that will be far short. At that time, to reach the forecast growth, it will be necessary to add about 29,000 megawatts nuclear. Everyone seems to think the balance of 12,350 megawatts to be installed at that time will be light water reactors—but that won't be the case, because uranium will be too high cost for the construction of additional light water reactors. After all, light water reactors, like breeder reactors, will have to compete with low-cost coal in the United States. The balance of the projected growth of nuclear will have to be in the form of breeders started with U-235.



Now, it has been said that the cost of U-235 will be immaterial to a breeder. That would be true if the excess production of plutonium amounted to 10 percent of inventory per year—in other words, a compound doubling time of about seven years. If you are realistic, you will agree with me that such a machine will not be in operation during this century. With a longer doubling time, the cost of the inventory is very important. If we waste so much low-cost uranium in light water reactors that we have to start breeders with U-235 from \$100 a pound uranium, instead of \$20 a pound penalty on future generations.

Let me give a theoretical example of what may happen. The 333,000 megawatts of light water reactors which are supposed to be in operation in 1988 will, during their 30-year lives, use the U-235 from about 2 million tons of yellowcake. Only half of this will be truly wasted, because the plutonium produced will start about half as many breeders as could be started if the U-235 were conserved to start breeders. Therefore, we will have needlessly increased from \$20 to \$100 a pound the price humanity will have to pay for one million tons of yellowcake. Figure that out—the penalty under such circumstances will be \$80 a pound, \$160,000 a ton, for a total of \$160 billion. Now that is quite a gamble. Suppose it actually turns out that way? What is the possible pay-off—the amount, if any, by which we reduce the cost of electricity with light water reactors. Gentlemen, I don't like the odds. I think we are doing what Commissioner Ramey wants us to do with desalting plants—we are clearing away the underbrush of economic criteria.

Back in 1962, in the Report to the President, AEC expressed some concern about whether the breeder would be available in time to use low-cost uranium. At that time, they thought the light water capacity in 1980 would be 40,000 megawatts, and they reached the conclusion that the advent of the breeder would probably be "timely" in respect to uranium reserves. Now that the 1980 capacity of light water reactors is forecast at 150,000 megawatts, the advent of the breeder is no longer "timely." It is probably too little and too late. We can't speed up the breeder. We can accomplish the same purpose—and I think we should—by slowing down construction of the wasteful non-breeders.

Thank you for bearing with me.

#### COHN-BENDIT SHOULD BE DENIED VISA

(Mr. COLLIER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLLIER. Mr. Speaker, I take this time to call the attention of the Members of this House to a report which came through the wire service from Frankfurt, Germany, yesterday. This report reveals that Daniel Cohn-Bendit, leader in the widespread French rioting last year, has applied for a visa to the United States. A spokesman for the U.S. consulate stated that his application had been sent to Washington for consideration.

Cohn-Bendit has frequently described himself as an anarchist, although this was not entirely necessary in the light of his known activities.

It is reported that Danny the Red has stated that he has invitations to speak at Georgetown University here in Washington and at the University of California in Berkeley.

I have written the State Department

indicating my unalterable opposition to approving this man's application for a visa and I am seeking to learn whether the invitations to speak on these two college campuses are from individual students or student groups or official university sources.

I trust that all of my colleagues in this House will join me in asking that Cohn-Bendit's application for a visa be denied by the State Department.

#### AMERICA MUST MAINTAIN ROLE AS MARITIME NATION

(Mr. KEITH asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. KEITH. Mr. Speaker, America's role as a maritime nation has depended for over two centuries not only on its ships, but also on the men who sail them. To maintain this tradition of quality leadership at sea demands new thinking regarding maritime education.

It has been 10 years since the Maritime Academy Act was passed providing a subsistence amount to qualified students of not more than \$600 per year. Since that time salaries and other educational costs have largely doubled while the student subsidy has remained the same. It is becoming increasingly difficult for young men of good background and excellent scholarship to attend our maritime academies for the full 4 years. These students attend class 11 months of the year. They are, therefore, not able to work in the summer months to pay their costs as many other college students do.

May I also point out that many of those who now graduate from the State academies with this excellent training find jobs in fields other than the merchant marine. Their education has been subsidized at taxpayer expense with no guarantee as to where and how the graduate's skills will be used.

For these reasons, Mr. Speaker, my six colleagues and I are filing this bill that contains two important provisions. First, it raises the amount of subsistence to \$1,000 per student per year. This is a modest increase of \$400 per year. Second, it requires the student to repay the loan over a 10-year period should he decide to enter a vocation other than the merchant service of the United States. This provision is similar to the National Defense Education Act.

This bill represents over 2 years of research and discussion with authorities on maritime education and law. Despite this lengthy drafting period, we recognize that the end product is not a perfect bill. There are those who frown on placing the U.S. Merchant Marine Academy at King's Point under the obligations this bill provides. I hope that objections such as these will prompt full and free discussion when the bill is heard in committee. From such an exchange of ideas we can produce legislation that will properly recognize the importance of our maritime education program.

Preeminence in maritime education has been ours through our Federal and State academies. We desperately need to encourage more young men to enter

the merchant marine service while at the same time affording the taxpayer the knowledge that we are trying to give him true value on his investment.

I hope the bill will receive early consideration, as the need for improvement in our maritime education program is long overdue.

Mr. Speaker, I include after my remarks, a copy of the bill:

A bill to amend the Maritime Academy Act of 1958 to require repayment of amounts paid for the training of merchant marine officers who do not serve in the merchant marine or Armed Forces

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6 of the Maritime Academy Act of 1958 (46 U.S.C. 1385) is amended to read as follows:

#### "REPAYABLE ADVANCES

"SEC. 6. (a) The Secretary may make grants to each academy or college with which he contracts under section 4 if such academy or college agrees to use the funds so granted to make, on behalf of the United States, repayable advances to its students, subject to the conditions provided for in subsection (b). Such repayable advances shall be made at a rate not in excess of \$1,000 per academic year and shall be used to assist in defraying the cost of uniforms, books, and subsistence for such students.

"(b) (1) Each repayable advance shall be evidenced by a note or other written obligation which provides that it will be repaid to the United States in equal installments over a period beginning nine months after the date on which the student ceases to pursue his course of instruction at the academy or college and ending ten years and nine months after such date, except that (A) installments need not be paid during any period, not in excess of four years, he is serving in a licensed capacity aboard an American-flag vessel operating under the laws of the United States or in the Armed Forces of the United States, and (B) such advance shall be canceled for service in a licensed capacity aboard an American-flag vessel operating under the laws of the United States or as an officer in the Armed Forces of the United States at the rate of one fourth of the total amount of such advance for each qualifying period of such service. Such a repayable advance shall be made without security and without endorsement, except that, if the recipient is a minor and the note or other evidence of obligation executed by him would not, under the applicable law, create a binding obligation, either security or endorsement may be required. For purposes of subparagraph (B), 'qualifying period of service' means eight months of service in the case of service in a licensed capacity aboard an American-flag vessel operating under the laws of the United States, and twelve months of service in the case of service as an officer in the Armed Forces of the United States.

"(2) The liability to repay any repayable advance shall be canceled upon the death of the person receiving the advance, or if he becomes permanently and totally disabled as determined in accordance with the regulations of the Secretary."

SEC. 2. The first proviso of section 12 of the Act of March 4, 1915 (46 U.S.C. 601) is amended by inserting before the colon at the end thereof the following: "or regarding repayment of a repayable advance made under section 6 of the Maritime Academy Act of 1958."

SEC. 3. Section 216 of the Merchant Marine Act, 1936 (46 U.S.C. 1126), is amended by adding at the end thereof the following new subsection:

"(g) Funds paid by or on account of a midshipman at the United States Merchant Marine Academy shall be deemed to consti-

tute a repayable advance to such midshipman and such funds shall be deemed to have been paid at the rate of \$1,000 per academic year. The provisions of subsection (b) of section 6 of the Maritime Academy Act of 1958 shall be applicable to repayable advances referred to in this subsection to the same extent as such subsection (b) applies to repayable advances made under such section 6."

SEC. 4. The amendments made by this Act shall be applicable with respect to students who matriculate at a maritime academy or college after the date of enactment of this Act.

#### SMALL BUSINESS ADMINISTRATION LOAN POLICIES REQUIRE IMMEDIATE REVISION TO MEET THE REALISTIC NEEDS OF DISASTER VICTIMS

(Mr. TALCOTT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. TALCOTT. Mr. Speaker, most of my congressional district is, and has been, declared a disaster area due to the extraordinary rainfall and floods.

It was the intent of Congress that the Small Business Administration provide loans to disaster victims. The Johnson administration led the public into believing that Federal funds would be available for loans to small businesses damaged or destroyed by natural disasters.

Most businessmen who have applied for Small Business Administration disaster loans have been told that they are not eligible or that there is no money available. This is a gross misrepresentation by the Federal Government. It is cause for great frustration and disillusionment to the devastated small businessman trying to dig his business out of the mud and to rehabilitate himself.

Under present conditions the Small Business Administration disaster loan policy is a disaster.

In May 1968, the Small Business Administration administratively denied low-interest loans to any victim who could arrange a private loan at the higher going rate of interest or who had any asset which could be converted to cash. Small Business Administration policy practically requires the businessman to sign a pauper's oath before he can participate in the Small Business Administration disaster relief program.

The Johnson administration revised its SBA loan policy and procedures because of the budgetary strictures. The Johnson administration got in a budgetary bind so it cut the heart out of the SBA. So the small businessman who is devastated by disaster is receiving no help.

The SBA revised its procedures administratively to deny loans; it could now well revise its procedures to grant loans.

In a declared disaster, SBA should grant low-interest loans to all defined disaster victims to the full extent of their documented loss—less, of course, insurance entitlements. SBA loans should be made to all declared victims, regardless of their business or personal assets or their ability to borrow privately.

SBA loans are not grants; all loans are repaid.

A declared disaster is a disaster to every victim of flood. All disaster victims need help.

The more financially responsible the disaster victim, the more likely he will repay the SBA the full amount of any loan.

SBA loans must be prompt and uncomplicated by redtape. The simpler the procedure and the fewer the prerequisites for qualification, the more helpful the SBA loan program will be to the disaster victims.

The present 3-percent interest SBA loan is unnecessarily low. Even small businessmen who suffer great disaster do not ask such low-interest-rate loans in today's interest market.

Interest at 2 percent below the FHA interest rate would satisfy the disaster victims, and not cost the Federal Government so much during periods of high interest rates. The current FHA interest rate is 7½ percent. Under my proposal, the SBA interest rate would be 5½ percent.

An alternate interest rate could be a rate equal to the Government's cost for borrowing money during the year of the loan—currently approximately 5½ percent.

Either interest rate would be appreciated by the bona fide small businessman.

Neither interest rate would cost the Government more than it is required to pay to borrow the money.

An SBA policy of providing 5½-percent interest rate loans for the full amount of the net loss of a declared disaster victim would put the SBA back in the disaster relief business, be most helpful to the disaster victim, and cost the Federal Government very little other than the administration of the program.

Mr. Speaker, many disaster victims in my congressional district have experienced similar frustrations and disappointments with the Farmers Home Administration—FHA.

Numerous disaster victims in the business of farming were led to believe that the FHA could be of assistance with low-interest-rate loans only to discover that FHA had no program that was useful to them in their plight.

My proposals for SBA could have similar application to FHA.

Mr. Speaker, I urge all Members to join me in advocating my proposals to the Small Business Administration, the Bureau of the Budget, the Small Business Committee, and the Farmers Home Administration.

#### HOW NEW IS THE "NEW LEFT"?

(Mr. HARSHA asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. HARSHA. Mr. Speaker, in consideration of the manner in which the self-styled "new left" seems determined to compound the problems of disorder, disruption, and violence which it has visited upon many of the Nation's institutions of higher education, it has occurred to me that the "new left's" pattern

of performance and modus operandi is not really new at all; rather, that both are really as old as, at least, the classic pattern of agitation, propaganda, and revolution set down long ago by such experts on revolution as Marx and Engels and Lenin and Trotsky.

My consideration of this matter which, today, so gravely concerns this Nation, was greatly implemented by my discovery that many of the so-called new left's complaints and demands and charges with reference to campus and academic matters are, at least, 35 years old; I have discovered that, at least, there is a striking similarity between some of the current complaints and demands and charges and some of those set down, way back in 1934 by a Cambridge University student named Donald Maclean—better known today as a British foreign officer and identified Soviet agent.

I would find cause to doubt that any of this will come as news to Communists, but I do believe that it may come as news to many of my congressional colleagues, even as it did to me; I also believe that this will come as news to many students who, in consideration of this and related facts, may determine that they have been tempted to follow a leadership and an ideology which, in reality, is quite contrary to their interests as American students.

For these reasons, with particular reference to consideration of the possible need for congressional efforts to help seek remedy and relief from the present campus situation, I submit, here, the full text of the March 7 edition of my regular weekly report to my constituency.

#### REPRESENTATIVE WILLIAM HARSHA ASKS: HOW NEW IS THE "NEW LEFT"?

President Nixon, Vice President Agnew, and the Nation's governors have now lent their voices to mounting expressions of growing concern over the continuing wave of disorder and violence on campuses across the country.

This is an encouraging development; particularly to those Americans who appreciate the following:

This obnoxious phenomenon began in this country in 1963.

It quickly demonstrated itself to be a part of an international pattern.

It turned from demand to disorder and from disorder to violence.

Its leaders proved themselves to be the agents for an ever-vocal minority which screamed for "peace" and "freedom" and "liberality" and "tolerance" while imposing the converse upon the majority.

Their followers proved, at best, an odd-mixed bag which, for varying reasons, were satisfied to travel under the straggly banner of the so-called "New Left."

It is, however, becoming increasingly apparent that this "New Left" is being manipulated by youth groups and cadres of the "Old Left"; the Communist Party's W.E.B. DuBois Clubs, the Socialist Workers Party's Young Socialist Alliance, and the more-recently-formed Peking-oriented Progressive Labor Party.

We have no more authentic source for support of this statement than the publication of the radical Students for Democratic Society, New Left Notes, which has admitted that such groups are vying for control of SDS itself.

There is, in short, no cause to doubt that the "Old Left" seeks to use the "New Left" for the "Old Left" objective of building



cadres for the furthering of its own revolution.

I would ask members of this so-called "New Left," with all its claim to non-conformity, how new their demands really are? How non-Communist-serving their misconduct is?

For example, I would ask them to identify the authorship of an expression of complaints and charges and demands which, as posted in a campus publication, has come to my attention:

It complains of "an unsuccessful attempt . . . by . . . (University) authorities to ban a Free Speech meeting."

It complains that "Anti-War articles in two college magazines were censored."

It complains of "the capitalist, dictatorial character of the University . . ."

It charges "economic exploitation of the student," and "reactionary valueless teaching on every faculty."

It demands: "Complete freedom of speech and action . . . student control of college magazines without interference from the authorities . . . The right to use college and university lecture rooms for all political discussion on lectures . . . A share in the control of tutorial fees and of college and lodging-house charges . . . Representation on the Appointments Board . . . The abolition of petty restrictions . . ."

I am confident that it will come as no surprise to "New Left" activists that these complaints and charges and demands were in behalf of the "Federation of Student Societies" at England's Cambridge University, nor that they were published in the student organ, *Granta*.

I am, however, confident, that "New Left" activists will be surprised to learn that the publication date was not February, 1969, but March, 1934, (March 7, 1934, to be exact)—35 years ago!

They were contained in a letter to the Editor from a member of the Cambridge University Socialist Society which the writer identified as "a section" of the school's "Federation of Student Societies."

The author of the letter was Donald MacLean. In the event that any of the "New Left"-oriented has been too busy demonstrating to read pertinent history, let me offer this brief but vital identification of Donald MacLean:

In 1951, Donald MacLean, and a colleague, Guy Burgess, fled to the Soviet Union with British and American secrets in what became known, and officially admitted, as the Great Spy Scandal of the Foreign Service.

Four years later, Vladimir Petrov, a defected Soviet spy, gave vibrant testimony to what had been strongly feared and suspected: Donald MacLean and Guy Burgess were long-time Soviet agents.

So much for the "newness" of the "New Left" and its campus demands. Let undergraduates be alert to the possible nature of the spinners of webs into which they might be drawn.

#### H. R. GROSS: THE TAXPAYERS' FAVORITE MR. "YES" ON WATCH-DOGGING THE TREASURY

(Mr. HALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HALL. Mr. Speaker, for over 20 years our distinguished colleague from Iowa, the Honorable H. R. Gross, has been leading the uphill struggle against wasteful Government spending. His unyielding and uncompromising position has certainly earned his place as the number one "watchdog of the Federal Treasury." The savings he has accomplished are not capable of computation, but a conservative estimate would place them well into the millions of dollars.

I have had the pleasure to work side by side with this relentless crusader for the taxpayers' pocketbook. His successes are accomplished through diligent research and study. I know of no Member of Congress that labors so consistently, so long, and hard.

A biographical profile of this amazing legislator has been skillfully written by Robert E. Bauman in the February 22, 1969, issue of Human Events. It is entitled "H. R. GROSS: THE TAXPAYERS' FAVORITE MR. 'NO'." Many Members will remember Practicing Attorney Bauman as a former aide to Republicans in the House.

Mr. Speaker, I insert this article into the RECORD at this point:

H. R. GROSS: THE TAXPAYERS' FAVORITE MR. "NO"

(By Robert E. Bauman)

(NOTE.—Mr. Bauman spent several years as an aide to Republicans in the House. He is a former National Chairman of Young Americans for Freedom. Currently a Maryland lawyer, Mr. Bauman also serves as Secretary of the American Conservative Union.)

During the delivery of his last State of the Union speech before a joint session of Congress on Jan. 15, 1969, soon-to-be ex-President Lyndon Baines Johnson glanced up at "The President's Gallery" in the House Chamber and was dismayed to see tears in the eyes of his beloved First Ladybird. Later, LBJ told reporters at the National Press Club, he had asked his wife what the tears were for.

"They were tears of fear," she told him. The reaction was their 19-month-old grandson, Patrick Lyndon Nugent, was waving his baby bottle around, causing Mrs. Johnson to fear "it would slip and hit H. R. Gross right on the top of the head." A bit ruefully, LBJ added, "I guess she felt that every Congress should have one H. R. Gross. I guess she wanted to preserve him."

Presidential solicitude for his personal welfare was no doubt a surprise to Rep. H. R. Gross. But the veteran conservative who has represented Iowa's 3rd Congressional District since 1949 was safely out of range of little Lyn's brandished bottle. He was not even in the Chamber. "I didn't go to that love-in," said Rep. Gross. "I've got better things to do."

Of the thousands of members of Congress Lyndon Johnson has known since he came to Washington in 1934, what made him single out this recalcitrant Republican from Iowa as he bade farewell to Capitol Hill?

Harold Royce Gross (universally known to friend and foe as "H.R.") has become accustomed to such critical distinction almost since the day he first took his oath of office in the House more than 20 years ago. With tightfisted determination, he built a reputation as a fighting conservative who never misses a chance to promote ethics in government, insist that Congress live up to its own rules and—most important—save the taxpayers from being fleeced.

A constant reminder of his philosophy is a framed quotation that sits on a table in the lobby of his office. It states: "Nothing is easier than the expenditure of public money. It does not appear to belong to anybody. The temptation is overwhelming to bestow it on somebody." Next to it is a photo of a Rockwell, Iowa, swimming pool with the caption: "Constructed without any Federal funds, 1967."

To meet Rep. Gross gives no hint of the emotions he has aroused in politicians from President down to precinct worker.

Small in stature (only five feet, six inches and 135 pounds), he has a stern visage that infrequently breaks into a relaxing grin—a blend of a small-town-banker-about-to-foreclose and Buster Keaton's mischievous but deadpan self-composure. A square and

determined jaw, drooping eyelids that give him a slightly sleepy look, thinning grey hair, garnished with eyeglasses and a pipe, Gross could easily pass for anybody's uncle.

In private, Rep. Gross is soft-spoken, as gloriously uncomplicated and matter-of-fact as the 400,000 Iowans he represents in Congress. He talks fluently and forcefully about his background and beliefs, always with a strong sense of conviction, bordering on self-righteousness. On the Floor of the House he can be abrupt and biting, his voice rising to just the degree of indignation appropriate to his target, personal or legislative.

When Democrat Wayne Hays (Ohio) tried to interject a word in favor of a 1964 pay raise proposal, for instance, Gross acidly remarked: "Does the gentleman, who is a pretty good spender in his own right of the taxpayers' money, think he can make a contribution at this time?" Hays burned, but Gross, momentarily at least, managed to block the measure.

Gross' sarcasm also swept over Rep. Frank Thompson (D.-N.J.) and other liberal House Democrats who were trying to double the federal subsidies for American artists last year.

Bluntly condemning the proposed increase as "twaddle," Gross proclaimed that if the \$135 million were voted he would send a cable "to the Marines at Khe Sanh"—then under Communist siege—and tell them "what wonderful progress is being made here at home. . . ." The Democrats lost that one too.

Gross' taste in clothes, like his politics, is conservative. It runs to suits in grey or dark blue set off by neckties considered fashionable at local meetings of the VFW, American Legion, the Elks and the Masons, in all of which he holds membership. Working late at his office typewriter, as he often does, one expects to see galluses on his shirt sleeves and perhaps a green eyeshade.

A Presbyterian, Gross enjoys fresh water fishing for relaxation, and has been known to have a drink or two at the very few Washington social gatherings he and his wife, Hazel, attend. Says Gross, "I've never owned a tuxedo and my wife has no ball gown. We don't need them."

Lyndon Johnson in particular has many reasons to remember H. R. Gross; the Iowan's determined effort to ferret out the facts in the Bobby Baker affair; his successful battle to stop the nomination of Hubert Humphrey's crony, the scandal-tinged Max Kampelman, as president of the D.C. City Council; his constant exposure of waste and graft; his unrelenting use of the rules of the House of Representatives as a tool to cut, hack, and prune millions of dollars from "Great Society" legislation.

Johnson, in fact, hardly had time to savor his 1964 presidential victory before Gross managed to pounce. During House debate on the bill appropriating the extra funds necessary to accommodate the color broadcasting equipment, the Iowa curmudgeon asked the pertinent question: "Is there any way, at the time the inaugural [ceremonies are] being carried out, that we can somehow picture the federal debt in living color?"

Indeed, every occupant of the White House during Rep. Gross' tenure in Congress has had reason to be wary. The Iowa Republican acknowledges that he had "differences of opinion" with Presidents Truman, Eisenhower, Kennedy and Johnson, and expects the same may be true with President Nixon ("though that depends on him," Gross adds with a smile).

Sharp-tongued and quick-witted, Rep. Gross arrives in the House Chamber each day before the session begins at the stroke of noon. As the chaplain's daily prayer ends and the Clerk reads the journal of the previous day's proceedings, Gross sits, grim-faced and thoroughly prepared for anything that might happen.

Though only party leaders have assigned seats in the House, Gross has by now ac-

quired what has become "his seat," at the end of the Republican leadership table, three rows from the front and strategically located on the center aisle which divides the Democrats and the Republicans. From this spot, directly in front of the rostrum and the Speaker of the House, Gross cannot fail to be recognized—unless by intention.

Throughout a typical daily session of the House, Gross will often be on his feet, offering amendments and asking questions about bills, although he usually already knows the answers himself. If ever a surprise bill is called up, it will automatically invite Gross' closest scrutiny. He refuses to rest until he is confident that nothing has been put over on the American taxpayer.

As a result of his keen watchdog abilities, Gross was instrumental last year in blocking a bill that would have jumped congressional retirement benefits by a whopping 33½ per cent. Gross discovered that the pension hike plan, which, if it was to be considered at all, should have been before the Post Office and Civil Service Committee, had been transferred to the Foreign Affairs Committee. The actual title of the bill, he disclosed, referred to Foreign Service retirement benefits, but didn't carry a single word about gigantic congressional pension increases. The pension boost, further, was deviously put under the heading, "other purposes." Largely due to Gross' roar of indignation about this pigskin-under-the-jersey move, the bill was flattened.

Gross was unsuccessful this year in stopping congressmen from padding their pockets with the taxpayers' money. But when Congress handed itself a hefty salary hike two weeks ago—raising the annual salaries for legislators from \$30,000 to \$42,500—it was not through inattention of the Iowa lawmaker.

Under somewhat peculiar procedures established by Congress in 1967, federal pay hikes for congressmen, top government executives and judges were to be formulated by a special commission. Based on the commission's findings, the President was to submit his own pay proposals to Congress—which LBJ did on January 15. These recommended pay hikes, in turn, would automatically go into effect within 30 days unless either the Senate or the House decided to veto them.

Most lawmakers loved the whole arrangement. Under it, they didn't have to initiate, debate or really be held accountable for the pay hikes. They could always blame the commission or the President rather than themselves for setting whatever salaries they might receive. Furthermore, they were well aware the procedure gave little time for the foes of any pay raise proposal to muster strong opposition within the 30-day period.

Iowa's economy crusader, however, was not willing to let his colleagues get off so easily. He first put House members on the spot in 1967 when he came within a whisker of defeating the commission procedure through a rollcall vote. When LBJ submitted his pay proposal this January, Gross immediately put veto measures before the Post Office and Civil Service Committee and the Rules Committee, hoping the House would get a chance to strike down the pay raise before it went into effect on February 14. After both committees killed his proposal; i.e., wouldn't let it come to the floor for a vote, the majority of the House felt certain they were now home free and wouldn't have to face any rollcall test on the pay raise. Thus, they seemed to be in a very enviable position which would permit them to receive a pay hike while being able to tell economy-minded voters back home that they had no chance to block it. But they hadn't fully reckoned with Gross' bag of tricks.

As the House turned from the issue of the pay raise and routinely voted to adjourn for the Lincoln Day recess beginning on February 7, Gross suddenly objected on the ground that a quorum wasn't present. Gross' objec-

tion forced a rollcall on whether the House should adjourn.

The Iowan's purpose was clear: since the pay hike would take effect during the recess, all those voting for adjournment were, in effect, voting to let the pay raise bill go through. The adjournment motion carried 241 to 125, but Gross had finally managed to force each lawmaker to take some sort of stand on the pay raise issue.

This kind of dedicated and constant vigilance keeps every member of the House on his guard, trying to guess what Gross may do. Says one Northern liberal, attesting to Gross' effectiveness, "I've attended many committee hearings when the chairman will study a bill and make sure we can answer the knotty questions Gross will ask. Many times items will be dropped before the bill hits the floor because of him."

What gives Rep. Gross such undeniable leverage is his mastery of the parliamentary rules that govern the conduct of the U.S. House of Representatives.

Without hesitation, he can summon from the rule book motions that automatically give him another five minutes to speak (this motion—"to strike the enacting clause" in bill—must be offered in writing, so Gross always carries a printed copy in his pocket).

Perhaps most frequently, Rep. Gross will object to a "unanimous consent request," the parliamentary device which permits the House to conduct so much of its business without formal recorded votes. So often did Rep. Gross invoke the rule which required "an engrossed third copy" of a bill once it is passed (which meant, printed with all amendments that had been adopted) that the Democratic leadership had the House rules amended to eliminate the requirement. Subsequently, a federal minimum wage bill was passed by the House and only later was it discovered that the incorrect wording of one of the amendments had dropped thousands of people from coverage under the law.

There are hundreds of other rules governing Congress which have allowed Rep. Gross to stall or stop the legislative process. He has mastered them all, and by his unrelenting presence, assures that they will be used to the fullest. To the delight of conservatives, his precious knowledge is almost always utilized in defense of conservative principles.

Not without cause, most liberals, and even some "sophisticated" conservatives, whether in Congress or in the fourth estate, have only a haughty disdain for Gross and his "obstructionism." They view his work on the House Floor as "negative, reactionary, a thwarting of progress."

Redbook magazine once called Gross "one of the 10 worst members of Congress," and in 1954 *Life* ranked him on the "Neanderthal Right" with such notables as the late Sen. Joe McCarthy of Wisconsin, former Senators Bill Jenner of Indiana and John Bricker of Ohio.

*Life* had the creator of *Pogo*, Walt Kelly, depict a band of Capitol Hill conservatives as so many willful children impeding the progress of the legislative school bus by their antics. Rep. Gross was pictured as a kid with a slingshot sitting next to the driver. He values the cartoon highly, mostly due to what he terms the honor of being included with such "great names out of the past."

In a 1965 *Newsday* story, entitled "Congressman No. 1," the Democratic majority leader of the House, Rep. Carl Albert of Oklahoma, took a different view. He conceded that Gross made his life more difficult, but added that he considered him "a charming person of integrity and conscience." Said the Democratic leader, "He has long been a symbol of economy and undoubtedly has saved many millions of dollars over the years."

What started Rep. Gross on the path to

his unchallenged title of "watchdog of the Congress"? In a recent interview the Iowa lawmaker said he well remembers the day during his first term when he objected to a Senate-passed "housekeeping" bill which contained certain "goodies" for the Senate side. Even before this, Gross says, he had the "uneasy feeling that things had been getting by the House that shouldn't have."

The bill on which he decided to take his first stand was inconsequential. Unfortunately for Gross, it was being handled on the House Floor by the late Rep. E. E. Cox of Georgia, famous for his sulphurous temper.

The Georgian, then in his 80s, had only a few years before attempted to clout the current dean of the House, the late Adolph Sabath of Illinois, with an inkwell. If Cox had so little concern for the welfare of a fellow Democrat, he had none at all for the freshman Republican congressman from Iowa who challenged him on that long-forgotten day in 1949.

So challenged, Cox was furious. In a stroke of genius, Rep. Gross resorted to what has become a familiar tactic in his bag of legislative devices—he made the point that a quorum of the House was not present. During the rollcall (which requires the attendance of at least a majority of the full House membership of 435) Cox crossed over to Gross and "gave me a short sermon about comity between the House and Senate," according to the congressman.

When the quorum ended, Cox restated the need for "comity" with the Senate, calling for the immediate passage of the housekeeping bill. Rep. Gross rose to his feet, objecting again, and questioned whether this bill constituted "comity" or "comedy," though in any case he doubted it would amuse the taxpayers. At that, recalls Gross, "Cox hit the ceiling, and took my hide off in short strips."

From that day forward, Rep. Gross has made it his business to know exactly what goes on in Congress, regardless of alleged "comity" towards any individual or group.

Seventy years ago, June 30, 1899, Harold Royce Gross was born on a farm near Arispe in southern Iowa. He recalls that his family was poor but "my father worked hard and he was a money-maker." Young H. R. milked cows and worked in the fields when he wasn't attending rural schools.

"Those were the days of horsepower all right," he remembers. "My father worked so hard he didn't have much time for the family. My mother was the one person who had the most influence on me as a boy." Gross remembers that his father and mother were both Republicans ("everyone was in Iowa, then"), but it was his mother who took a sustained interest in politics.

Somewhat regretfully, Gross says, "I don't brag about it, but I never finished my second year in high school. I guess I'm one of the original 'drop outs' and I don't recommend it to anyone." The year was 1916 and Pancho Villa, the Mexican revolutionary bandit, was terrorizing Americans living along the Texas border. Gross recalls wistfully, "I was 17 years old and I was tired of farming. I wanted to get out and see the world. I was adventurous."

As times change, the path taken by a 17-year-old Iowa "drop out" in 1916 was not to any latter-day Hippie haven. Instead, he "ran away from home, lied about my age and joined the U.S. Army. To this day, Army records show my birthdate as 1898." He was immediately transferred to the Mexican border where he served under the command of soon-to-be Gen. John J. "Black Jack" Pershing.

In 1917, when the United States entered the First World War, the young lad from Arispe, serving in the First Iowa Field Artillery, AEF, was among the first soldiers to be sent to France. His unit saw combat action at Chateau Thierry, and in the Meuse-



Argonne Valley campaign, some of the fiercest battles of the war.

Recalling those days, Rep. Gross noted that he has not been out of the United States since he returned from France in 1919, "unless you can call a fishing expedition 40 miles into the Gulf of Mexico last year a trip abroad." Chided about his constant opposition to congressional "junketing" overseas, Gross said, "I just might take a trip one of these days to see the places I've been, but it'll be at my own expense."

In 1919 Gross entered the University of Missouri School of Journalism as a special student. Because he lacked a high school diploma, he could not attain a degree, but he was allowed to audit the courses. There he met the late Scripps-Howard columnist Lyle Wilson, who later recalled Gross as "an opinionated, slightly built, hard-nosed fellow," a description of Gross that Wilson later said didn't need changing much with the passage of time.

From 1921 to 1935, Gross held various jobs as reporter and editor for Iowa newspapers. Ironically, one of his journalistic heroes was that great debunker of small town America, H. L. Mencken, whose own biting wit was not unlike the famous Gross sarcasm: "Any comparison between Mencken and myself is odious," says Gross. "Mencken had a great intellect," he adds modestly.

In 1929, on the day before his 30th birthday, the young editor was married to Miss Hazel E. Webster of Cresco, Iowa, "a fine Iowa farm girl who has been of tremendous importance in my life," says the congressman. Now an attractive gray-haired grandmother, smartly dressed and vivacious, Mrs. Gross has supported her husband throughout his sometimes stormy political career.

They have two sons, Phil, 36, an attorney with the Securities and Exchange Commission in Washington, and Alan, 32, who is making a career in the U.S. Air Force. Both are married and Alan has a young son.

"When I first ran for Congress we had two little boys to take care of," remembers Rep. Gross, "but my wife worked the typewriter at home. As soon as the boys were old enough, she accompanied me in almost all my campaigning." Mrs. Gross shares her husband's belief and is one of his strongest defenders.

When Gross was one of the few congressmen to object to giving Mrs. Jackie Kennedy Onassis a government pension ("She certainly doesn't need it," Mrs. Gross commented, "I don't care if it does defeat him, he's absolutely right." Gross was re-elected afterwards with a bigger majority than ever.

Within six months after his marriage, the Great Depression was upon the land. Nowhere did it have a more damaging effect economically than on the farms and the farmers of the Midwest.

Rep. Gross still speaks with undisguised passion about the plight of Iowa farmers during the Depression. He recalls seeing crops, livestock and land sold at public auction, to satisfy mortgage claims and debts. "Why, they would take everything but the farmer's wife and children, including the shirt off his back," Gross recalls.

Iowa has always had a strong tinge of prairie radicalism in its politics, beginning in the 1870s when, with much of the Midwest, Iowa was swept by the Grange movement and the Populist and Greenback parties. The same underlying economic inequities that plagued the farmers before the turn of the century gave rise to the National Farmers Union which flourished during the Depression.

It was this "radical" group, demanding help for the farmers from the federal government, which attracted the young H. R. Gross. "Hogs were selling at 5¢ a pound; \$5 a hundred," he recalls. "You can't understand what they did to the farmers and I grew up as a farmer. Farmers were taking an awful beat-

ing." Rep. Gross notes that the National Farmers Union "of that day was far different from the left-wing group it has become today."

"I'll always fight for the farmer," says the Iowa Republican. "Agriculture is the basic industry of America. New wealth comes from the soil, and I think the farmer should be able to get his fair share. The farmer is the only businessman who is forced to buy on a closed market with fixed prices, but must sell his products on an open market where supply and demand determine the price. I don't want government regulation of price supports, but we can't permit our farm economy to collapse."

In 1933, with the Depression at its worst, the Democrats swept to power and, for the first time in memory in Iowa, they took control of the governor's chair and both houses of the state legislature. Gross was then the editor of a National Farmers Union newspaper. He recalls how, even though the Democrats were in control, Iowa farmers got the "short end of the stick."

On the first day that the new Iowa legislature met in Des Moines in 1933, a bill was introduced allowing banks and insurance companies to declare a moratorium on all payments to their depositors and policyholders, the majority of them farmers. Within 24 hours it was passed and signed into law.

"I raised unshirted hell with those politicians in my newspaper," Gross said. "Especially when it took them more than a month to call a moratorium on the forced sales of the farmers' land. Meanwhile, almost every farmer who was behind in his debts lost his land and even his chattels."

Within a year, "Charlie" Gross, as he was called in those days, was to be given the chance that would propel him into politics and the U.S. Congress. In 1934, radio station WHO in Des Moines, the state capital, went on the air, and Gross was the first news director and newscaster.

"I was billed as 'the fastest tongue in radio,' because of my rapid-fire 'Walter Winchell' delivery," says Gross. "I was supposed to give the news, but I guess a little opinion crept in."

As sportscaster and staff announcer, a young fellow from Tampico, Ill., read the commercials for Gross' daily news program. His name was Ronald "Dutch" Reagan, now the governor of California. To this day the two are close friends.

For the next six years the powerful 50,000 watts of WHO broadcast the voice of the Iowa crusader for farmers' rights, "Charlie" Gross. Gross' words beamed out over some of the richest and best farm land in the nation. (Not until 1965 was a greater share of Iowa's income to be produced by industry rather than by farming). In the 1930s, the great majority of the Iowa voters lived on farms or in small towns. To them, Gross' words, chattering daily out of the old Atwater-Kent radio on the kitchen shelf, were good as law.

"I was accomplishing Rule No. 1 in politics," says Gross. "I was becoming known all over the state of Iowa."

In 1940, without consulting Republican party leaders, Gross did an unheard-of thing. He filed for the GOP nomination for governor against the incumbent Republican, George A. Wilson, just ending his first two-year term. "I had no money and no organization, but the people knew me," says Gross.

In a rough-and-tumble primary, the party leaders "to a man" openly broke the party's tradition of neutrality and opposed Gross. They fielded a third candidate (who got 20,000 votes) in order to drain away his rural support. Even so, "the fastest tongue in radio" came within 16,000 votes of unseating the Republican governor of Iowa. Gross did carry a majority of Iowa's 99 counties, most of them rural. While Republican leaders were

shaken, Gross' problem was more acute: He was out of a job, having resigned to make the race for the nomination.

From 1940 through 1944 Gross served as a news commentator for station WLW in Cincinnati, Ohio, and, for a time, at WISH in Indianapolis, Ind.

For most of his life, Gross made his home in Waterloo, Iowa, a trading and packing center for the surrounding agricultural area. With 36,000 citizens, Waterloo was already a big town by Midwestern standards when Gross moved there after the First World War. Today its size has doubled. Waterloo is the county seat of Black Hawk County, named after the local Indian tribe which had to be subdued by force in the famous Black Hawk War of 1832, a war in which young Abe Lincoln fought.

Iowa, more than any other state in the Union, has come to typify small-town and rural American life. Not only did composer Meredith Wilson immortalize "River City, Iowa" (actually Mason City) in his Broadway hit musical *The Music Man*, but it was at Nashua, in 1864, that the Rev. William S. Pitts was inspired by a small brown painted frame church to pen the words of the hymn, "Come to the church in the wildwood, come to the church in the vale. . . ." Thousands of Protestant congregations all over America have since lustily repeated the invitation in song.

Both of these typical American towns are located in the heart of north central Iowa in Gross' 3rd Congressional District. Dotted by many small towns with tree-shaded streets and neat frame houses, most of the rolling countryside is one long stretch of verdant farmland. Iowa contains more than 25 per cent of the nation's "Grade A" soil, and of this almost 98 per cent is used for farming. The 3rd district produces corn, soybeans, cattle, hogs and dairy products.

But not even this tranquil part of America was immune from post-World War II labor strife. At the Rath Packing Co. in Waterloo in 1948, one of the most violent strikes in Iowa's history took place. The Republican governor, Robert D. Blue, was forced to send in troops to restore order. The incumbent 3rd district congressman, Republican John W. Gwynne, was ending his seventh term in Washington, and his reputation with the labor unions was not favorable.

In the 1948 Republican primary H. R. Gross filed against Rep. Gwynne. "I had decided to show a few people who had opposed me for governor in 1940," Gross said. "Most of my support came from the rural areas, but I've never hidden the fact that the old American Federation of Labor union gave a \$1,000 contribution to my campaign."

Gross still proudly carries in his wallet a yellowed newspaper clipping encased in plastic, containing the Chicago *Tribune* editorial endorsements for the 1948 general election. The editorial strongly backs Dan J. P. Ryan, Gross' Democratic opponent, with the stern admonition that a little-known candidate, H. R. Gross, had accidentally won the Republican nomination for Congress and what's more, was suspected of having strong "leftist tendencies."

Says Gross with a laugh, "Willard Edwards and Walter Trohn of the *Tribune* still kid me about my 'leftist tendencies'."

Republican leaders had also branded Gross as a "radical leftist" in the 1948 primary, but when he won they closed ranks and he was elected in November by a 20,000-vote majority. The same election saw Gross' 1940 opponent for governor, George Wilson, go down to defeat in his try for a second term in the U.S. Senate.

Since 1948 Rep. Gross has continued to pile up large majorities at the ballot box, always running well ahead of the rest of the ticket. Only in 1964 did he have a close call. He won by only 419 votes out of the 166,000

cast, but he still led the Republican ticket. In 1968 his majority was a comfortable 43,000 out of 157,000 votes.

Today H. R. Gross is the dean of the Iowa delegation in Congress. In terms of service, he outranks all but 46 other members of the House and ranks seventh in seniority among House Republicans. Since 1963, to the despair of the liberals, he has served on the prestigious House Foreign Affairs Committee, and now ranks second in seniority among Republicans on the House Committee on Post Office and Civil Service, whence he can keep an eye on the federal bureaucracy.

Gross' statistical record in Congress indicates that he has been one of the most conservative and faithful members in either party.

He has responded to 95 per cent of the roll-calls during the last 20 years (many of which he demanded himself).

The Americans for Constitutional Action (ACA) gives him a cumulative rating of 97 per cent conservative in his voting:

The American Conservative Union (ACU) in its Democratic margin of victory score (DMV) reveals that Gross has voted with the majority of his GOP colleagues on 96 out of a possible 99 key roll-calls since 1961. This clearly indicates that Gross and a majority of his Republican colleagues agree on most major issues.

Conversely, the AFL-CIO, COPE and the liberal Americans for Democratic Action (ADA) often give Gross scores of zero, on the same legislative record. "But," notes Gross, "I've always had the support of rank-and-file labor."

Rep. Gross sees no inconsistency in his continuing fight for the rights of the farmers "or any individual citizens." He has observed that opposition to accumulation of excessive power in the hands of big government is fully compatible with his battles of yesteryear against economic interests that showed little concern for the rights of individuals. "I don't think I have changed," says Gross. "Some others may have changed, but I haven't."

Rep. Gross' conservative philosophy draws the standard liberal complaint that he is negative and not "constructive." Sneers one liberal, "the list of issues he's opposed in one form or another would all but comprise the legislative record of each Congress he's attended."

Gross views it differently: "I believe you can be tremendously constructive on behalf of the people of this country by opposing the destruction of America and the freedom of its citizens."

Gross concedes that a conservative's views are "essentially negative," since they propose the limitation of government as a constructive good. He agrees with *National Review* columnist Frank Meyer, who wrote, "If eternal vigilance be the price of liberty, then eternal 'no' to encroaching government is its watchword." Thus Gross is not particularly disturbed by the epithet that he is the "Abominable No-Man of the House."

As they are translated into concrete actions, Rep. Gross' political ideals have been mightily aided in Washington by his perseverance in searching for the truth. He readily admits that he receives tips from many sources, the press, sympathetic government employees and, occasionally, a congressional colleague who doesn't have quite the taste for battle that Gross has.

"I get all these tips, but the hard part is checking them out to be sure before I speak." Gross pores over thousands of pages of print each week, reading public documents that many congressmen have never seen. He finds such publications to be a gold mine of information about wasteful government spending, excess federal employees and just plain wrongdoing.

He has also turned up a number of major

scandals, including many facts in the Bobby Baker case, corruption in the foreign aid program, the Adam Clayton Powell affair, the granting of federal bank charters as political favors and even proof that the late Bobby Kennedy authorized wiretapping as attorney general, a fact Kennedy had denied vehemently, in effect calling FBI Director J. Edgar Hoover a liar.

Minor details do not escape the Iowa congressman. He was just as concerned to discover that the then secretary of the interior, Stewart Udall, was planning to pay \$600,000 for Arizona land assessed at only \$9,000, as he was when he found that the National Bureau of Standards was willing to spend \$44,700 for one stainless steel flagpole which Gross estimated could be purchased for \$820.

In each Congress, Rep. Gross has sponsored bill number H.R. 144 (the number of units in a gross), which provides for the systematic reduction of the national debt. He has been a strong critic of LBJ's policy toward Rhodesia, which he views as unnecessary aid for the "leeching British," who will not help the U.S. in Viet Nam.

One of his pet projects has been cutting the foreign aid program. In one day in September 1967, the House agreed to a number of his amendments with the net effect that \$588.8 million was cut from the foreign aid bill. His amendment barring any U.S. aid to nations trading with the North Vietnamese was also adopted.

Gross has certain "pet peeves" that "turn him off" completely. The reason he insists on so many quorum calls, he says, is because he believes that "a congressman's duty is on the House Floor," not in the gym or junketing abroad. He is especially critical of the "Tuesday to Thursday clubbers," that wandering band of East Coast congressmen who spend three days a week in Washington and the remainder in their nearby districts in New York, Boston, or Philadelphia.

Says Gross, "Congress isn't a part-time job, it's a full-time responsibility." Often, his own homework includes stacks of bills and reports and each weekend he takes home the "calendars" of private and consent bills, studying them for problems until late at night.

Asked how he can afford to spend so much time on the House Floor away from his office, Gross explains that he has an excellent staff, headed by his veteran administrative assistant, Bob Case, 46, who has been with him since 1953. "Besides, I get in early and stay late if I need be." Eventually, Gross' constituents in Iowa are pleased and he says proudly, "I know of no instance in which my district has suffered because of my activities in Washington."

This seems to be a valid claim. For example, in 1968 Gross' campaign literature used the theme, "Now we see how right he's been." It included a list of the principles supported by the congressman "for 20 years in Washington." Gross campaign auto bumper stickers bear the simple legend, "H. R. Gross, the Man of Principle."

An illustration of how powerful the respect for Rep. Gross is in his home state occurred in April 1968 at the Iowa Republican Convention.

More than two-thirds of the 3,480 delegates from every precinct in Iowa rebelled against a handpicked slate of delegates to the Miami Beach GOP National Convention. Suspending the rules, they replaced a delegate at large with none other than H. R. Gross, once considered a party "maverick," and in 1968 a vocal Reagan for President supporter. "We really took them apart," recalls Gross. He left it to others to observe that this was an impressive personal tribute from the Republicans of Iowa for their own "H. R."

Gross' party support seems to cut across any ideological lines. Though he hardly feels at home with the liberalism of some few

Iowa Republicans, Gross has been staunchly supported by his fellow Waterloo resident, Jack Warren, the GOP state chairman. In 1964, Warren, as a GOP delegate at San Francisco, voted for William Scranton over Sen. Goldwater. But, says Gross, "Jack has been one of my firmest supporters, right up to the hilt."

Those outside Iowa who know of H. R. Gross react to him in much the same manner as do his colleagues in Congress. They either like him or can't stand him, but few have no opinion at all.

Gross acknowledges that he gets thousands of letters from outside Iowa each year, many of them as the result, he notes, of news stories about him appearing in *Human Events*. When he announced in late December 1968 that he would move to bar Adam Clayton Powell from the House at the opening of the 90th Congress, even if no one else did, he was flooded with approving mail.

Reaction has not always been so favorable. When Gross forced a rollcall vote on a federal pay raise bill which was then narrowly defeated by the House, threatening phone calls to his home produced an FBI guard until the hotheads cooled off.

The attitude of his House colleagues is just as divided. Gross is no respecter of party lines in his opposition to what he considers wrong. One Western Republican on one day was praising "good old H. R." for tearing into a Democratic bill, and the next day was heard to refer to Gross as "an old s.o.b." because he had blocked consideration of the Westerner's pet private bill.

Gross is accustomed to all this. "Sometimes it gets to you, but I decided long ago when I started in this business that I wasn't going to win a lot of friends in Washington or attain any leadership posts. You can't aspire to leadership and do the things I feel I must do."

Yet even in the tough arena of the House of Representatives, Rep. Gross has won an unusual measure of affection. Even the reporters in the Press Gallery know that his acid quips will live up to the legislative stories they must file each day.

On his birthday a few years ago, one congressman after another arose to pay tribute to the little man from Iowa who had caused them so much "trouble" over the years. So florid did the praise become that Gross, embarrassed by it all, blushed a deep scarlet and retired to the rear of the Chamber, somewhat misty-eyed, some noticed. Today, most members of Congress agree with the observation of one who said, "it would be a pretty dull place without H. R. to keep us on our toes."

What lies ahead in the 91st Congress for H. R. Gross, now that a Republican once again sits in the White House? Will he support President Nixon, or will he oppose him?

In the first session of the 83rd Congress (1953) during President Eisenhower's first term, Rep. Gross (like many other conservative Republicans) voted against Ike's proposals 25 out of 34 times. In the second session of the same Congress, he opposed Eisenhower more than 50 per cent of the time. Says Gross, "What I said then still goes. I'm not going to repudiate my past votes. I'm never going to toss my convictions overboard."

Rep. Gross, puffing quietly on his pipe in his office in the Rayburn House Office Building, told this writer that he is "hardly very hopeful about the future of this country. The Republican party, lacking strong leadership, has tended to drift to the left. I believe that unless President Nixon takes drastic action, we may face a serious national and international economic crisis within a very short time."

"There is no reason Nixon cannot cut the budget rather than retain the 10 per cent



surtax. But," the Iowa congressman wryly notes, "that's rather negative, isn't it; not very constructive letting taxpayers keep their hard-earned money?"

About Congress as an institution, Gross feels that the American people are perhaps far ahead of their representatives on such issues as reduced federal spending and ethics in government. "The people want a change but we don't seem to have the political courage to give it to them," he observes.

Though Rep. Gross certainly doesn't look or act his 70 years, he was asked if he might be considering retirement at the completion of his present term in Congress. Smiling that slow, sly smile of his, the man *Time* magazine called "the conscience of the House," let the words out slowly and emphatically: "I have no plans for retirement."

For many, hearing that statement will be a great relief. For others, it will mean only further anguish. In any case, one must conclude any study of the life and work of H. R. Gross with the impression that, until the very last rollcall, he will be true to the Iowa state motto:

"Our liberties we prize, our rights we will maintain."

#### TIME FOR ACTION NOW, MR. PRESIDENT

(Mr. HALL asked for and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HALL. Mr. Speaker, the Constitution says the Congress of the United States raises and supports the armed services and determines policy therefor. On last October 31, 1968, the then Commander in Chief announced a bombing halt over aggressive North Vietnam. Most of us stopped wherever we were and prayed for its success in our own way.

That halt and the so-called peace talks were predicated upon mutual reciprocity, and it was stipulated that any and all means would be resumed toward throwing the aggressors out of the freedom-loving country of South Vietnam, if good intent and faith on the part of either side was breached. Many of us predicted at the time that the peace overtures were "phony," and that, as in the case of Korea, our men would continue to be slaughtered, the enemy would build up its logistical capability and sinews of war, and that we would undergo military reprisals for our peace overtures. With the entire world wanting and aching for peace, it was indeed difficult to insist on honor, freedom, and able and successful immediate conclusion of hostilities.

Mr. Speaker, it is reported today that through a series of savage attacks by North Vietnamese Regulars through the demilitarized zone and others from inconceivably allowed sanctuaries, 30 American lads pressed into service in a nondeclared, no-win war have been sacrificed. Now, over 32,300 have been killed in action. Over 200 more of our men have been wounded. Minimum intelligence and indeed the carefully read news media reports indicate direct and restored rail, barge, and truck lines to the front through enemy territory. Now armored tanks charge us from sanctuaries. This is augmented by continual trade by our allies with North Vietnam. The harbor of Haiphong is crowded by vessels of our so-called allies and the entire

military-industrial complex of North Vietnam has been recouped and restored since our ill-advised bombing halt. This has cost untold military lives. Why, oh why, Mr. Speaker, were we so naive as to think that if we got in bed with the Communist cobra, tiger, or bear, that we would escape without being badly bitten? Furthermore, the expected diversions around the world are obvious in the Near East, in Peru and Africa, in Cuba, and again in the form of a Berlin blockade. These are obviously for the purpose of dispersing the strength and forces of the only free nation capable and willing to assist its neighbors and who have the will remaining to combat aggression from either within or without, by the Communist power play and conquest.

Mr. Speaker, I for one say it is high time we girded on our own armor of truth and will, faced the aggressor in a four-square manner and made good our commitment to the men in the field by resuming our bombing, if necessary to bring the Communist aggressor to his knees for a plea for peace. We have other important options and can help by closing the Port of Haiphong, by eliminating sanctuaries to the aggressor in South Vietnam. With the U.S.S. *Pueblo* affair, the diversions and now the obvious post-Tet aggressions in Saigon as well as in Danang and from the Laotian border at A Shau, we can do no less. I compliment the President on his statement last evening and call upon him as the Commander in Chief to maintain general civilian control, perhaps even continue peace talks; but, to let the military win the war in South Vietnam by whatever contingency operation is necessary in the shortest possible time with the least additional loss of life and drain upon the U.S. taxpayers so that we can turn control completely back to the South Vietnamese, our SEATO allies, and bring our men home. The Communist aggressors have asked for it, our President has been most forbearing and patient and now the American people want an end to this bogged-down war of gradualism by whatever is the best option. Let us now give the aggressor what he deserves.

#### HEW WILL STUDY EFFECT OF VIOLENCE ON TV

(Mr. ROGERS of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROGERS of Florida. Mr. Speaker, we have just had the Secretary of Health, Education, and Welfare, appear before a committee of the Interstate and Foreign Commerce Committee. I thought the House would be interested to know that in answer to a question which I proposed to him, the Secretary said the Department of Health, Education, and Welfare, will undertake a study of the effect on the American public of violent shows and scenes on TV.

I believe all of us feel and know that undoubtedly this violence that is portrayed on TV does affect the high crime rate in America. Certainly there is an

increasing rate every year in this country. Something is going to have to be done.

I commend the Secretary for saying he will undertake this study. It will begin, the Secretary hopes, within about 2 weeks. It is necessary that something be done about the amount of violence being shown on TV in this Nation today.

#### MRS. S. E. BARTLEY

(Mr. ROBERTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROBERTS. Mr. Speaker, I am sorry to have to report this morning that Mrs. S. E. Bartley, the younger sister of the late Speaker Sam Rayburn, passed away late yesterday in Bonham. She had been ill for many months, and I wanted to let my colleagues know that she has now passed away.

Miss Meddie Bell, as she was affectionately known, was a great lady and a warm personal friend of mine. Her gentility and charm were a constant source of inspiration to our beloved Speaker and to all who knew her. We wish to extend our most sincere sympathy to her son, Federal Communications Commissioner Robert T. Bartley, and her sister, Mrs. W. F. Thomas, who survive.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS. I am delighted to yield to the distinguished Speaker of the House.

Mr. McCORMACK. Mr. Speaker, I am very sorry to learn of the death of Mrs. Bartley, the sister of our late beloved Speaker and my dear and valued friend Sam Rayburn.

Mrs. Bartley enjoyed more than the usual close family ties with the late Speaker. She was one of the sweetest ladies I have ever met and had a beautiful outlook on life and an understanding mind in relation to her fellow human beings that was an inspiration for all others to follow.

Since the death of our late Speaker, my dear and beloved friend—I wish he were here with us today—Mrs. McCormack and I have kept very close to Mrs. Bartley, telephoning her with some degree of frequency because of our deep respect and friendship and to let her know that the memory of her dear brother, the late Speaker, is always uppermost in the minds of Mrs. McCormack and myself.

I extend to the loved ones of Mrs. Bartley the profound sympathy of Mrs. McCormack and myself in their bereavement.

Mr. ROBERTS. I thank the distinguished Speaker.

Mr. BOGGS. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS. I am delighted to yield to the gentleman from Louisiana.

Mr. BOGGS. I should like to join in the statements made by the gentleman from Texas and the distinguished Speaker of the House of Representatives.

Mrs. Bartley was indeed a lovely lady, one whom Mrs. Boggs and I had the pleasure of knowing for a great many

years. I am saddened beyond words to hear of her passing.

I am saddened to know of the passing of any member of the Rayburn family. It is a very great family.

I know the gentleman in the well, Mr. ROBERTS, has been proud to have been associated so closely and so intimately with Speaker Rayburn and the other members of the family.

I join Speaker McCORMACK in expressing to her family our heartfelt sympathy.

Mr. ROBERTS. I thank the distinguished gentleman from Louisiana.

Mr. Speaker, the funeral will be at 10 o'clock Saturday morning.

#### PRESIDIO "MUTINY" TRIALS: A TEST OF MILITARY RULES AND JUSTICE

(Mr. BINGHAM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BINGHAM. Mr. Speaker, recent coverage of the naval inquiry into the capture of the U.S.S. *Pueblo* greatly overshadowed equally important proceedings taking place concurrently in California involving military rules of conduct and the civil rights of American men in uniform. I refer, of course, to the trial and sentencing of the first four of 27 American soldiers accused of "mutiny" for taking part in a sitdown protest against the shooting of a fellow prisoner and what they considered intolerable living conditions at the Presidio stockade.

The sentence meted out to Pvt. Nesrey D. Sood, the first of the accused to complete trial, was 15 years at hard labor, forfeiture of all pay, and eventual dishonorable discharge. Three other men have subsequently also been convicted, and have received sentences ranging from 16 to 4 years at hard labor, dishonorable discharge, and forfeiture of pay.

In view of the nonviolent nature of the protest and other factors, these sentences appear almost incredibly harsh. It is difficult to imagine that these men are not being used by the Army as "examples" to deter any further protest behavior of this kind by members of the Armed Forces.

The United Nations declared 1968 as the International Year for Human Rights, but our efforts to insure basic human rights whenever and wherever they may be in danger must not be allowed to wane with the passing of 1968. Few areas of American life pose greater potential for denial of basic human rights than the Armed Forces, and there is particularly pressing need to continue to seek and expand protections for the human rights of the man in uniform.

The Congress last year made some long overdue changes in the system of military justice expanding the rights of defendants in military cases. Presumably the attorneys for Private Sood and other men will not fail to appeal the decisions to the civilian Court of Military Appeals, and I hope that the court of appeals will take special efforts to reassess not only the question of guilt or in-

nocence, but also the appropriateness of the sentences.

Additional trials and possible sentencing of men accused of participation in the Presidio sit-down deserve to be carefully watched by Members of Congress as indices of whether we have adequately "civilianized" our system of military justice, and whether we have yet provided adequate safeguards for the human rights of our men in uniform. I hope my colleagues in the Congress will join with me in a continuing evaluation of the rules of conduct involved in this case, and the appropriateness of the sentences handed out at both original and appeals levels.

#### CONTINUED VIOLENCE AGAINST SOUTH VIETNAM

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, President Nixon last night warned North Vietnam that the United States would not tolerate a continuation of the violence against the cities in South Vietnam that led to "heavy casualties among American troops." The President carefully avoided commitment to any specific course of action, saying only that he would very soon decide on "an appropriate response."

It is certainly deplorable, Mr. Speaker, that the other side in Vietnam has chosen to undertake this latest round of attacks, which have cost the lives of many innocent Vietnamese civilians as well as of American troops. The President's concern at the continuing high rate of American casualties is certainly shared throughout the Nation. Since the Paris peace talks technically opened on May 10 of last year, over 9,000 American soldiers have died in Vietnam and over 30,000 have been wounded. The 300-plus deaths in battle last week in the wake of North Vietnamese-Vietcong offensive sounded a particularly tragic note.

In the face of this situation, and of these appalling statistics, it is tempting to suggest that the appropriate response lies in a stepped-up American military effort. This has been the standard response of our policymakers for 5 years. If we will just put in a few thousand more American troops, they told us time and again, we can win on the battlefield. Or if we bomb the North. Or if we adopt more aggressive search-and-destroy tactics. Or if we introduce new weapons systems. There has always been a military panacea dangled before our eyes. And since we are, as a nation, impatient with the inconclusive, we have been all too ready to succumb to the allure of a quick solution supposedly attainable through direct action.

But it has not worked. Neither the troops, nor the bombing of the North, nor the new weapons and new tactics have succeeded in producing a military resolution of the dismal conflict in which we are so deeply mired. When President Johnson halted the bombing of North Vietnam, we were first given reason to hope that the lesson had finally been

learned by our policymakers. Finally, it seemed, we were prepared to admit officially what a number of us had been saying for some time—that only a political solution could end this war, and that such a solution could only be achieved by gradually scaling down both the overall level of the fighting and, most importantly, the level of American participation.

Mr. Speaker, I do not wish at this point to go into the overall effects of the South Vietnamese political, economic, and social structure which have flowed from the massive American presence in that shattered country. Suffice it to say that those effects have not been entirely beneficial. My concern today is with the international consequences of our presence there as they relate to the prospects for solution and to the choices which presently confront President Nixon.

I still believe, as I have said on many previous occasions, that we must shift more of the responsibility both for the war and for the political future of South Vietnam to the Vietnamese themselves. For in the end, it is among Vietnamese—Saigon, Hanoi, NLF, and other groups which constitute a significant part of the South Vietnamese population—that the fate of Vietnam must, and will, be settled. Only when these elements become engaged in negotiating the political future can we look with any real hope to eventual settlement of the conflict. Meanwhile, our presence in force in South Vietnam is a prop to the present government in Saigon and, at the same time, an obstacle to the kind of Vietnamese bargaining process from which a final settlement must emerge. Our massive military force is also a sore temptation to our own commanders, who often seem to believe their own arguments that military solution is still possible. Even before the latest North Vietnamese-Vietcong offensive, for example, our forces were suffering about 200 deaths each week, a rate which suggests a fairly high level of American military activity, even though the other side was initiating little fighting. Indeed, reliable reports indicate that we did, in fact, substantially step up our operations in the area around Saigon, using for this purpose forces released from the corps areas farther north by the general diminution in fighting there. Which should they be judged the initial offensive, and which the response?

Thus, I would urge the President not to permit the latest North Vietnamese-Vietcong actions to divert us from the course we have been pursuing—solution in Vietnam through negotiations rather than through military means. For the North Vietnamese-Vietcong offensive is itself most readily explainable in the negotiating context as an effort by the other side to prove that their military credentials in the bargaining process are still intact. From the viewpoint of the other side—a viewpoint which we must always make a special effort to understand—this may have been made particularly necessary by the relatively low level of activity they maintained in recent months while we seemingly continued a high level of operations. This evi-



dent contrast was reinforced by a spate of recent reports from Saigon suggesting that we were approaching a military victory. While we cannot know for sure, it would appear logical to assume that North Vietnam and the Vietcong felt compelled to demonstrate once again that they retain a substantial capability for offensive action, and that military victory is still effectively precluded as a rational goal for our side.

In consequence, we should intensify our efforts to make the negotiating process more fruitful. As I have suggested, the most useful American contribution at this point lies not in more force, but in less force—in a scaling down of the level of the fighting and of our own participation. Specifically, I would urge that the President take four immediate steps. First, he should announce plans for withdrawal of a specified number of American troops during the coming year. Second, he should order that American troops participate in search-and-destroy operations only when these are directly concerned with the protection of American installations. Third, he should instruct our negotiators in Paris to resume serious contacts with the other side, including secret sessions which have apparently been in suspense since our team was changed nearly 2 months ago. And, fourth, consideration should be given to proposing an immediate cease-fire, continuation of which would be contingent on its observance by both sides, since this is the only course that can substantially reduce the casualties which are of such deep concern to all of us.

Beyond these first steps, as I noted earlier, we must move the entire subject matter of negotiations more directly into the area of ultimate political settlement, which Saigon has so far refused to discuss. Here, "compromise" will be the key word; it is also the sticking point for our allies in Saigon. Inevitably, the position of those presently holding the reins of government in South Vietnam will be threatened by any compromise solution. Equally inevitably, they can be expected to resist our efforts to achieve such an outcome. It is unreasonable to expect that we can satisfy the current South Vietnamese Government as we pursue our search for a negotiated solution—or, indeed, that we should feel bound to do so. Recent calls by Vice President Ky for resumed bombing of the north clearly indicate the kind of approach he would like to follow. But, as we have learned from our own sad experience, this road leads only to a dead end. We must, therefore, stand firm, and refuse to grant Saigon a veto power over our efforts to achieve the negotiated settlement which alone can lead us to peace in Vietnam.

#### TRIBUTE TO THE LATE LEVI ESHKOL

(Mr. ANDERSON of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDERSON of California. Mr. Speaker, I rise today to join in mourning the passing of Levi Eshkol, the Prime Minister of Israel. Mr. Eshkol has led his

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nation since 1963 for almost one-third of her life. Before that he had served in the Israel Cabinet as Finance Minister and as Agriculture Minister. His term as Prime Minister saw the fruition of his economic planning and the stability of the Israel economy.

Prime Minister Eshkol, the third in the history of Israel, was known as a man who could draw together dissident factions within his party and his nation with the voice of reason and conciliation. During his term, the State of Israel moved forward with the deliberate stride of a nation with the determination to achieve the highest possible goals.

Levi Eshkol was, in many ways, the embodiment of the modern Israel. He immigrated to Israel in 1913 from his native Russia and became a farmer in a kibbutz, which he founded. An early member of the labor movement, he continued to remain active in union and labor affairs throughout his life, as a member of the Israel Labor Party, known as Mapai, in the Knesset, and as a Minister in the Government.

His ties with the workers and farmers made him a true representative of the people of Israel. Like all Israelis, he was actively involved in the struggle for independence in 1947–48 and was one of the organizers of the Israel defense forces which have so brilliantly defended that valiant nation three times in the 20-year history of Israel statehood. The nation he saw grow and mature became a home for the downtrodden of Europe and the homeless Jews of Africa and Asia.

Levi Eshkol's dedication to his country and his people shall serve as a living inspiration not only for the leaders of Israel but also for the leaders of other nations who are striving to make their countries free, independent and strong. The loss of this great statesman shall be sorely felt in Israel and shared by free men and nations throughout the world.

#### PAN-AMERICAN DAY CELEBRATION

Mr. FASCELL. Mr. Speaker, I offer a resolution (H. Res. 295) and ask unanimous consent for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 295

*Resolved*, That the House of Representatives hereby designates Monday, April 14, 1969, for the celebration of Pan-American Day, on which day, after the reading of the Journal, remarks appropriate to such occasion may occur.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### THE OIL COMPANIES ARE A FOURTH LEVEL OF GOVERNMENT

(Mr. PODELL asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, today it has been announced that the Justice Department would allow the merger of Atlantic-Richfield Oil Co. and Sinclair Oil Corp., the 10th and 11th largest oil companies, respectively, in the United States. The new firm founded will be the country's sixth largest oil company. A civil antitrust suit is theoretically kept alive because the Justice Department continues to oppose Atlantic-Richfield's acquisition of Sinclair's crude oil refineries and its marketing system in the Midwest and Rocky Mountain States. Yet to all intents and purposes, this merger will now become an established fact. Once spliced, this knot will not be undone.

So another milestone is passed, Mr. Speaker, in the formation of a fourth level of government in this Nation. The oil companies have tightened the noose another notch that they have so securely placed around the neck of the American public.

On all levels these colossal petroleum companies have thrown a shadow across the life of the Nation and the world. Through the 27½-percent oil depletion allowance, they are making a mockery out of the Nation's tax system, fastening an ever-increasing burden upon the lower and middle income taxpayer.

They drill for oil anywhere they choose to, disregarding the beauty of our land and the balance of our environment. The disaster that even now continues in the Santa Barbara Channel off the California coast is but the latest atrocity perpetrated upon the ecology of America.

They have an economic hammerlock upon the cost of energy in most areas of the country, prohibiting the entry of any new source of fuel that might lower prices even the slightest amount for the average person who drives. Blockage of the free trade zone in Maine at Machiasport is only the most recent and classic example. Now, after one administration had filed an antitrust suit to block a merger which tightens and consolidates their death grip, the present administration allows that merger to gain de facto recognition. Of course the oil industry gains, and its profits will again soar. Only the people lose. Only the drivers of cars and commuters will be the poorer for this.

Mr. Speaker, I protest the action of the Justice Department in allowing this fait accompli by the oil companies involved. It would be fascinating indeed to find out how much each of these companies paid in taxes over the past few years. It would be revealing in the extreme to discover what fair share they have paid into the National Treasury to merit such consideration as they have now received.

Too much power and wealth are being concentrated in too many hands. Too many powerful hands have too many strategic grips upon the windpipe of hundreds of millions of Americans.

#### MORE ON THE F-111

(Mr. PODELL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, in the

CONGRESSIONAL RECORD of February 20, 1969, as an extension of remarks, I took occasion to express my views on the F-111 aircraft. My remarks were prompted by the announcement in the Washington Post on February 14, 1969, that the 11th F-111 had crashed somewhere in the Nevada area.

This morning's Washington Post announced the loss of yet another F-111. By letter of February 24, 1969, my distinguished colleague from Texas's 12th Congressional District replied to my remarks, and also inserted his reply in the CONGRESSIONAL RECORD of that date.

In response to his letter I have now spelled out my views more fully in a letter to the distinguished gentleman from Texas so that the RECORD will be complete. I am inserting my remarks as an extension of these remarks.

My letter to our distinguished colleague follows:

Hon. JIM WRIGHT,  
U.S. House of Representatives,  
Washington, D.C.

DEAR JIM: Your letter of February 24th concerning the F-111 aircraft is greatly appreciated. From the facts cited, I gather that you draw two basic conclusions: first, that compared to the experience with other fighter aircraft, the comparative accident record of the F-111 is not unfavorable; and second, that based on the testimony of the pilots who have flown the F-111, it has proven to be an outstanding aircraft.

Let me assure you that I am not unmindful of either the statistical information you have provided or the enthusiastic reports on the aircraft by those associated with the program. The trade literature has been replete with material of this kind, much of which has found its way into the *Congressional Record*.

In looking at the accident record of the F-111 it is necessary to go beyond the comparative statistics and examine the causes in detail. You are certainly familiar with this whole story (so admirably summarized by Senator McClellan in the *Congressional Record* of September 27, 1968), and I will not repeat it here. Let me only say that so far as I can determine, only one of these losses has been due to pilot error. Others are attributable to such causes as: "structural failure of speed brake; weapons bay gun caused fire; control lost due to jamming by sealant tube or to broken actuator rod; failure in the control system." Potentially, of course, the most serious defect showed up during a fatigue test in August 1968 when a crack developed in the steel fitting which sustains the movable wings, a finding which led to the temporary grounding of all F-111's pending further investigation.

No one can say whether this potentially critical weakness in the F-111 might have been obviated if the civilian leadership in the Department of Defense had followed the recommendation of the Air Force Source Selection Board which would have provided a titanium fitting for this purpose, a recommendation subsequently concurred in by all the senior Air Force and Navy officers involved in the source selection. In overriding the recommendation of the Air Force Selection Board, it was argued, *inter alia*, that the use of titanium for this purpose represented an unacceptable technological risk. The same was said with respect to the proposed use of thrust reversers in the rejected design. Yet both of these developments were subsequently proven out.

Little purpose would be served by reciting here the whole sorry history of this misbegotten aircraft. The "Sad Story of the

TFX" has been set forth on frequent occasion over the course of the past 5 years, with the speech, under that title, by Senator Curtis in the *Congressional Record* of October 3, 1968 being the most recent example. Let me only note that in assessing blame for this fiasco, there is no need to point the finger at any particular source; there is plenty to go around. From the deferral by the Eisenhower Administration of the original TFX program proposed by the Air Force in April 1960; through the decision to enforce "commonality" in an Air Force and Navy fighter, and disallowal of the Navy's proposed Missileer for fleet air defense; through the source selection process which reflected a management philosophy which placed too much emphasis on cost and too little emphasis on performance; to the situation we find today, in which a former Secretary of the Air Force, Senator Symington, has suggested in a speech carried in the *Congressional Record* of October 8, 1968 that serious consideration should be given to cancelling the entire F-111 program;—this entire history can only lead one to the conclusion that something is wrong in the way we are handling the development and production of military aircraft.

Let me only say for myself that I have absolutely no doubt that if the original 1960 Air Force and Navy proposals to develop the TFX and the Missileer had been approved, we would be far better off on all counts than we are today. We would have had superior aircraft, at an earlier time, and at less cost; and we would have been able to buy more of them. It seems inexcusable to me that we should fritter away precious development leadtime through managerial ineptitude at the same time that we pay lip-service to the importance of staying ahead in the technological race. The advances made by the Soviet Union in new aircraft during this period that the United States has been bogged down in the F-111 must be of concern to all of us, with Senator Symington again leading the way in pointing out the dimensions of the predicament in which we find ourselves.

Nor do I intend to explore at length your favorable assessment of the F-111 based on the testimonials of the men who have flown the aircraft. I am not at all surprised that these men would be enthusiastic about the plane, or that Senators Cannon, Muskie, and Goldwater, and Congressman Robert Price and yourself should be impressed with their testimony. The only thing that would have surprised me is if they had not been enthusiastic. No one questions the proposition that the F-111 has many characteristics that represent a marked advance over other fighters for the deep interdiction role under all conditions of visibility. But as suggested above, there is likewise no doubt in my mind that the state of the art would be even more advanced today, and operational capabilities would be greater, had we pursued other paths of development.

I would remind you also that it is hardly to be expected that the Air Force would wish to convey any impression other than a favorable one toward the F-111. "What else is there to buy?" For the present, it is either the F-111 or nothing. This same disposition was previously demonstrated in Congressional testimony by the Navy prior to cancellation of the F-111B, despite the known Navy objections to the program during the entire course of its development. I would fully expect that Air Force witnesses would do likewise during the upcoming hearings, and I need not tell you that it is sometimes necessary to evaluate such testimony in the light of the known constraints under which officials of the executive branch are required to testify. In this connection, I would call your attention to the *Congressional Quarterly* of February 16, 1968, in which it is reported

that the Air Force was under instructions, according to a Defense Department source, "not to bad mouth the F-111A, probably because of the Air Force's responsibility for the basic design of the over-all F-111 system and (Air Force Secretary Harold) Brown's role in pushing the proposal through the Defense Department. There's a lot of discontent about the Air Force plane that you just won't hear in public."

Just a final word in connection with the culpability of the contractor in the case of the F-111. Because a judgment of this kind is essentially a subjective matter, pursuing the question further would serve little purpose. I have no doubt that you have read the article that appeared in the September 30, 1968 issue of *Barron's* entitled, "General Dynamics Owes the Nation an Accounting." The essential conclusion of the article was that "by brazenly overselling the virtues of the airplane to shareholders as well as to the U.S. public, and by ignoring its palpable defects, corporate management may have overstepped not merely the bounds of propriety but also the confines of the federal securities laws." In inserting the article in the *Congressional Record* of October 7, 1968, Senator Symington expressed his agreement.

In this reply I have taken occasion to refer to certain members of the United States Senate. As you are well aware, others, in both Houses, who have opposed the F-111 since its inception could have been cited. While I recognize your own great personal interest in this matter (witness your many insertions in the *Congressional Record* through the years of material reflecting favorably on the F-111), I am sure you would not want to leave the impression that the many distinguished Senators who have opposed the F-111 have done so because—to use your expression—they are "headline-hungry politicians." Their concern for national security is no less genuine than your own, and I assume that you had no intention of suggesting that opposition to the F-111 is politically motivated.

Normally, I would consider a letter such as this to be a completely personal matter. However, inasmuch as you saw fit to insert your letter to me in the *Congressional Record*, I am doing likewise so that the exchange will be complete. It would be my hope that this exposition of our differing views may help to throw further light on the issues involved in the F-111 so that the Congress and the public may be in a better position to judge the correct course for the future.

In view of the foregoing, I feel that there is no need for me to retract my prior statement although should I be convinced to the contrary I will be most happy to do so.

With all best wishes,

Sincerely,

BERTRAM L. PODELL,  
Member of Congress.

#### PODELL CALLS FOR ABOLITION OF HUAC'S SUCCESSOR COMMITTEE— HOUSE COMMITTEE ON INTERNAL SECURITY

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, I have today introduced a resolution to abolish the House Committee on Internal Security as I was unable to get the floor to submit this resolution on February 18, 1969, when the fate of the former House Un-American Activities Committee was being debated. My reasons, Mr. Speaker, for seeking to abolish HUAC's successor—



House Committee on Internal Security—are as follows:

My reasons derive from the very character of our Government. Congress has the duty to establish by law an order of rights and of obligations corresponding to those rights. The executive branch has the duty to enforce obligations by apprehending and prosecuting those who violate the rights of others. The judiciary has the duty to protect rights by determining in the light of known, standing laws whether violations of rights have occurred and by imposing penalties on those guilty of violating the rights of others.

Our Constitution carefully separates the legislative, executive, and judicial powers to insure that people will be governed impartially by laws of a general character. The separation of powers is meant to guarantee that people are secured in their rights against arbitrary abuse of power. In No. 47 of the *Federalist*, James Madison declared:

The accumulation of all powers, legislative, executive, and judiciary, in the same hands, whether of one, a few, or many, and whether hereditary, self-appointed, or elective, may justly be pronounced the very definition of tyranny.

Our legal order of rights and duties must be maintained ultimately not by force primarily but by the people's consensus regarding the nature of rights. It is precisely against this consensus among the American people that the Communists aim their attack in order to bring people to see things differently and thereby to give rise to what they call "revolutionary consciousness."

The Un-American Activities Committee from its beginning sought to counter-attack by exposing Communist propaganda activities. It strengthened itself for the counterattack by taking over powers which are executive and judicial. The Internal Security Committee which replaces HUAC is sure to do the same.

The committee seeks to absolve itself of the charge that it concentrates legislative, executive, and judicial powers in its own hands by disclaiming any purpose of punishing individuals. It claims only the purpose of exposing subversive activities. It has, in fact, punished many individuals. It has punished them by causing them to suffer community rejection and loss of jobs. Nor is the committee justified by the fact that one or several or all of the individuals punished may have been Communists. It is not the function of Congress to punish anyone. The Constitution forbids legislative punishment—punishment by a so-called bill of attainder. Nor is anyone to be penalized except for violating a general, standing law. The committee exercises its subpoena power to compel the appearance of individuals in order, it says, to gage the need for additional internal security legislation; it, therefore, compels individuals to appear before it without reference to any existing statute, that is to say, arbitrarily. Arbitrary, legislative punishment subverts our Constitution—the separation of powers and the Bill of Rights—and it could not be an effective defense against internal subversion from other quarters.

Congress has provided the Justice De-

partment and the Federal courts with legislation such as the Espionage and Sabotage Act and the Atomic Energy Act adequate to maintain our internal security. The Attorney General has necessary authority to proceed on the basis of standing law against anyone who acts overtly to destroy the United States. And the Federal Bureau of Investigation has authority to investigate espionage, sabotage, and other subversive acts against the United States.

The chairman of the Internal Security Committee stated a few days ago that he intends "to make a study of revolutionary violence within this Nation," and that the committee intends to investigate Students for a Democratic Society. The committee will not be performing any service that the FBI is not performing better and in a fully lawful manner. In discussing the 1961 FBI appropriation last year before a House subcommittee, Director J. Edgar Hoover said that the Bureau was zeroed in on the following kinds of activities and groups, among others: the Communist Party, U.S.A.; demonstrations protesting U.S. intervention in Vietnam; Students for a Democratic Society; the WEB DuBois Clubs of America; white hate groups; Klan-type organizations; the Minutemen; militant black nationalist groups; racial disturbances; and espionage.

Last summer, Mr. Hoover reported to Attorney General Clark about what went on at an SDS convention at East Lansing, Mich. Speaking of a closed-door workshop, Mr. Hoover said:

The participants discussed various devices which might be developed for use in planned attacks on Selective Service facilities and in connection with other forms of violent demonstrations. They explored the use of combustible materials and the various types of bombs which could be devised to destroy communications and plumbing systems of strategic buildings.

They even discussed the finer points of firing Molotov cocktails from shotguns, as well as similar forms of so-called defense measures which could be used in defiance of police action.

On the record, it seems to me that the FBI is well able to keep our Government informed about threats to our internal security.

But the Committee on Internal Security is incapable of defending us against the Communist assault on the consensus of the American people regarding the nature of rights. This consensus is the ultimate support of our Constitution and of our legal order. It has its existence in the minds of the people. We do better, I believe, to place our confidence in people's sense of values than in a legislative committee that seeks to make itself into prosecutor, judge, and jury. Speaking of the separation of powers, George Washington wrote to the Marquis de Lafayette:

That these Powers . . . are so distributed among the Legislative, Executive, and Judicial Branches, into which the general Government is arranged, that it can never be in danger of degenerating into a monarchy, an oligarchy, an aristocracy, or any other despotic or oppressive form, so long as there shall remain any virtue in the body of the People.

#### THE SAGA OF KLEINDIENST'S STOPWATCH

(Mr. DINGELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DINGELL. Mr. Speaker, so far this month at the Department of Justice things have broken about even. They have lost a major petroleum merger case, but have gained a new time recording system. It is not clear which of these is the more appalling; but since I will have extensive remarks in the near future concerning the Atlantic-Richfield-Sinclair merger suit, I will, at this time, confine my remarks to an analysis of the handiwork of Deputy Attorney General Richard G. Kleindienst, the new stopwatch approach to measuring productivity of professional personnel.

Mr. Kleindienst has circulated a memorandum to each of the attorneys employed by the Department of Justice requiring them to report their activities by 12-minute segments. Attached to the memorandum is a 10-page document entitled "Instructions for Preparation of Time Sheets," a form denominated "Department of Justice Deck Sheet," a second form denominated "Department of Justice Attorneys Daily Time Summary," three pages entitled "Division and Subunit Code Sheet," one page entitled "Civil Cause and Action Codes," and seven pages of "Activities Dictionary."

Mr. Kleindienst's master plan for achieving greater efficiency is both complex and ingenious. It would require each attorney to write down the "case matter" or other items for which he had spent each 12 minutes of his day. A separate computation is to be made for matters taking less than 12 minutes, which Mr. Kleindienst calls "de minimis time" and in his instructions he recommends—

That you keep a tally of such items on your desk sheet, and enter the total in the de minimis time box recorded in hours and tenths; i.e., 1½ hours is 01.5, 2 hours is 02.0, 24 minutes is 00.4, etc.

On the identification of what the individual lawyer is doing, Mr. Kleindienst's instructions, while voluminous, seem to me to be of limited comprehensibility, which is to say, I cannot tell what the gentleman is talking about. Consider, if you will, the following: There is a five-digit identification for the division and subunit in which the attorney is employed, a two-digit identification system for the type of litigation on which the attorney is working and a seven-page list of three-digit codes showing the precise nature of the activity such as "correspondence—legal," and "requesting, guiding, and directing investigations."

Despite the use of 10 digits of identification, there still appears to be a certain amount of ambiguity in such items as No. 931, "Special assignments" and No. 972, "Processing routine cases and/or matters." Again, it is not clear what distinguishes No. 202, "Conducting own investigation activities" and No. 921, "Conducting own investigations." It is difficult to be critical of the drafter of the list as he has evidently made a sincere effort to be helpful to the members of the bar

employed by the Department of Justice. As an example, in item No. 307, "Preparation of pleadings," the accompanying parenthetical material helpfully points out that pleadings means complaints, answers, indictments, and so forth.

Frankly, while I commend the inclusion of this item, I must say that it would appear to raise some questions about the personnel policies of the Department. I would have hoped that it was entirely unnecessary to point out to the distinguished practitioners at the Department the meaning of the word pleadings. Let me add that I am not being critical of the competence of the Department of Justice lawyers—quite the contrary; I feel that we are most fortunate in having dedicated and expert lawyers serving us in the Department of Justice.

Frankly, it seems to me that this is the sort of situation to which one could easily take affront were it not so comical. Mr. Kleindienst's memorandum is said to apply to all Justice Department attorneys, including himself and the Assistant Attorneys General. He apparently did not have the temerity to include Attorney General Mitchell in his definition of "all," even though the memorandum did underline the word.

Many portions of the instructions are clearly eligible for an award for excellence in bureaucratise, which is to say, utter turgidity. Consider the following:

In breaking down your day's work into reportable units, if you work on different matters, cases, and non-case oriented or mass case handling activities during the day, report each and enter the activity and time. If on the other hand you are performing like activities for different cases and matters of an identical type, and there are eight or less, report them separately, but if there are between nine and 36, list the proper identifying numbers in an uninterrupted series. If there are over 36, call the function a mass-case handling function.

In terms of practical application, this stopwatch approach to greater efficiency from professional staff members, the mind boggles. While the presence of Mr. Kleindienst *inter alia* would make it difficult to commend the White House on the outstanding nature of all its appointments, still one must concede that there have, indeed, been thoroughly outstanding individuals named to some key positions. One such example is Assistant Attorney General for Antitrust Richard McClaren. Consider, if you will, our Mr. McClaren ensconced at his duly impressive subcabinet desk analyzing the proposed merger of the U.S. Widget and the General Snooze Corp.—applying, as his position requires him to do, the rather involved criteria of section 7 of the Clayton Act, considering the various, allegedly anticompetitive factors involved in the merger and all the myriad, relevant aspects which will affect the economic future and industrial destiny of thousands of people and millions of dollars.

Assistant Attorney General McClaren, to this point, is in compliance with "Instructions for Preparation of Time Sheets," pursuant to Mr. Kleindienst's instructions, he has identified the activity he is performing on the appropriate time line in the form that the Deputy Attorney General has thoughtfully provided for that purpose. He, likewise, has

indicated here the nature of the activities by the dictionary's code. This took some thought, of course, since it was not clear whether he was "Requesting, guiding and directing investigation," item 201; "Conducting own investigation activities," item 202; or performing item 203, "Review and analysis of investigation reports." Further, as the day wore on, Mr. McClaren noted that he seemed to be both "Reviewing work performed by U.S. attorneys," item 110; and work "Performed by or in legal divisions and offices," item 111. Furthermore, there was a doubt in his mind as to whether perhaps what he was really doing was item 306, "Researching, analyzing legal-factual problems and developing solutions."

You can imagine the mounting consternation encountered by Mr. McClaren as he slowly realized that if he were to stay in compliance with the memorandum as he "performed some other activities on the same item," he was to add them. What was worse, he discovered that when he stopped working on that item and was interrupted, as the telephone seemed to do, from time to time—item 103, "Extended telephone contact—legal"—he was required to note the time this took place and "draw a vertical line down through the appropriate column to the appropriate time line." He then discovered that he had to identify the next item on which he had started working in the same manner. Only because of Mr. McClaren's substantial intellectual capacity, was he able to devote as much time to the problems of U.S. Widget as he was to Mr. Kleindienst's timetable. I think he deserves all our commendations.

If this is an economy move, or an attempt to attain greater efficiency, this, too, presents some interesting problems. There are currently employed by the Department of Justice 2,076 attorneys—as of January 27, 1969—the Department gives me the figure of \$16,500 as its best estimate of the average annual salary. For a 50-week year, this is \$330 a week. A 5-day week brings this to a daily pay of \$8.25 an hour. It will, Mr. Kleindienst assures us, take not in excess of 15 minutes a day to fill out the form. I am informed by a number of those who will have to do the reporting that half an hour understates the time involved. But, in the sense of charity one should exhibit when dealing with a new administration, let us accept for the purpose of computation Mr. Kleindienst's figure. The wage for 15 minutes is \$2.06. This multiplied by the number of employees, 2,076, gives a daily cost of \$4,276.56. The weekly cost would be five times that or \$21,382.80. The annual cost would be 52 times this or \$1,111,905.60 unless, of course, one prefers to accept the estimate of those employees who say it would be double this or \$2,223,811.20.

Nor is this the limit of the enormity of the Department of Justice turning itself into some sort of time-study analysis apparatus. If there are to be mounds of reporting forms, 2,076 each day, clearly then someone at the highest level must read them. It is unthinkable that one would require an Assistant Attorney General to complete a form which would be analyzed by a GS-7. Thus, one may

anticipate in the near future an Office of Time Research or, perhaps logically, an Assistant Attorney General for Personnel Timekeeping Practices.

The vast number of vital problems facing our society today—it is, I think, clear that the very able lawyers employed by the Department of Justice can best serve our people if they are not burdened with this type of sophomoric nonsense. If there are a few incompetent or unproductive attorneys on the staff—fire them—do not burden the entire agency in this manner.

If Mr. Kleindienst and his colleagues will provide the leadership, the imagination, and the flexibility demanded by our present circumstances, they will, I am sure, discover, in short order, that their loyal employees will rise to the occasion.

Mr. Speaker, because of its importance and interest to the Members of the House, I place the "Instructions for Preparation of Time Sheets" and the accompanying documents in the RECORD following my remarks, together with two articles on this subject from the Washington Post of March 2 and March 5:

#### INSTRUCTIONS FOR PREPARATION OF TIME SHEETS

##### I. TIME RECORDING DESK SHEET

Use of this form is optional but is recommended for the purpose of accuracy. If you can record all required time in your Attorneys Daily Time Summary Sheets without using this form, please disregard it.

When you start working on a case, matter or other item, identify the item on the appropriate time line and indicate the activity you perform in the column provided for that purpose. Activity must be indicated here either by dictionary code or verbal description. If you perform some other activities on the same item, please add them. When you stop working on this item or are interrupted, note the time this takes place and draw a vertical line down through the first column to the appropriate time line. Then identify the next item you start working on in the same manner. Similarly identify the activity and repeat the process throughout the day, keeping track of your time as you go.

If you are working outside of your office or where you do not have the desk sheet available enter such time and activities when you return. Note the times you take leave or perform functions which are classified as de minimis time (which will be defined later on). If you do any work in hours other than the hours indicated on the desk sheet, enter that information in the spaces provided at the bottom of the sheet. At the end of the day, using this sheet as an information source, as well as your daily diary, case files, tickler cards, or other materials you use, complete the Daily Time Summary. Summarize all time so that there is only one line taken on the Daily Time Summary for each item. When your Daily Time Summary is prepared, destroy the desk sheet.

##### II. ATTORNEY'S DAILY TIME SUMMARY

The following instructions are geared to the various reporting boxes and columns on this form:

1. *Attorney's Name.*—Last name first.
2. *Attorney's Identification Number.*—enter the 6 digit number which is your Employee Identification Number for payroll purposes. It is on the Statement of Earnings which accompanies each pay check.
3. *Organization.*—Enter the 3 digit code which indicates your Division. In the next box for sub-unit, enter the code indicating same. Leave the District box blank. Codes are on an attached sheet.
4. *Date.*—Enter the year, month and day in that order. February 25, 1969 is written as : 69 : 02 : 25 :



"In breaking down your day's work into

13. **Line No.**—In this column enter the number of the horizontal lines on the sheet in which the entries appear in consecutive order from the top. If six items are listed whether they be cases and/or matters, non-case oriented activities, or mass case oriented activities, the respective lines would be numbered one through six. However, if on line two you should start the series of ten Dyer Act cases which took 2.5 hours described in the Identification Section, then list the ten complaint numbers on line 2 and the next nine lines, and on each of the lines on which a complaint number of the series appears enter the number 2 in the line number column. Enter the time spent on the series and the activity on the line on which the series ends. Do not break up a series by other items in the time sheet. The line number for the first entry below the series is 3, the next 4, and so on.

## Date \_\_\_\_\_

(Enter beginning and ending time of work done on each item to nearest 10th of hour)

have performed more than one activity on the item, list additional codes on the lines below in the code column. When using additional lines for activity codes, draw a vertical

Your Division's administrative officer will advise you of who to contact in the Division if you have any questions.

See footnotes at end of table.



## DIVISION AND SUBUNIT CODE SHEET—Continued

DIVISION	SUBUNIT
132 Tax Division—Field	01 Refund trial No. 2—Fort Worth Office
141 Civil Division—Washington	01 General claims
	02 General litigation
	03 Court of claims
	04 Appellate
	05 Patent
	06 Torts
	07 Fraud
	08 Judgment and collections unit
	09 Admiralty and shipping
142 Civil Division—Field	01 Admiralty field office—New York
	02 Admiralty field office—San Francisco
	03 Customs—New York
	04 Foreign litigation unit
148 Civil Division—Office of Alien Property	
151 Land and natural resources <sup>1</sup>	01 General litigation—water resources
	02 General litigation—other
	03 Land acquisition—title
	04 Land acquisition—condemnation
	05 Appellate—seabed resources
	06 Appellate—other
	07 Indian claims
161 Criminal division	01 Administrative
	02 Administrative Regulation Section—Immigration and Natural- ization Unit
	03 Administrative Regulation Section—Selective Service Unit
	04 Appellate
	05 Fraud
	06 General crimes
	07 Legislative and special projects
	08 Narcotics and dangerous drugs
	09 Organized crime and racketeering—labor unit
	10 Organized crime and racketeering—gambling, liquor and narcotics
	11 Organized crime and racketeering—other
171 Civil rights division	01 Administrative
	02 Assistant for title VII litigation
	03 Planning and coordination
	04 Assistant for title VI litigation
	05 Eastern litigation
	06 Central litigation
	07 Northeastern litigation
	08 Southern litigation
	09 Western litigation
181 Internal security division	01 Appeals and research
	02 Criminal
	03 Registration
	04 Civil
211 Antitrust division—Washington	01 Administrative
	02 Director of Operations—Office
	03 Director of Policy Planning—Office
	04 General litigation
	05 Special litigation
	06 Special trial
	07 Trial
	08 Appellate
	09 Economic
	10 Evaluation
	11 Judgment and enforcement
	12 Foreign commerce
	13 Public counsel and legislation
212 Antitrust Division—Field	01 Chicago office
	02 Cleveland office
	03 New York office
	04 Philadelphia office
	05 Los Angeles office
	06 San Francisco office
021 Office of Legal Counsel	
055 Pardon attorney	
075 Board of parole	
095 Board of immigration appeals	

<sup>1</sup> Indicates State and local unit.<sup>2</sup> A small number of field personnel are included in appropriate subunits.

(NOTE.—In those instances where your subunit code has not been designated, report under the appropriate division code only.)

CIVIL CAUSE OF ACTION CODES		
01 Civil penalties and forfeitures involving violations of laws relating to ship inspection and documentation	02 Civil penalties and forfeitures involving violation of laws relating to obstruction to navigation	violation of laws relating to water pollution
	03 Civil penalties and forfeitures involving	04 Admiralty
		05 Civil penalties and forfeitures involving

violation of laws relating to ship safety

08 Contract actions, other than negotiable instruments

12 Negotiable instruments

16 Frauds—referred to U.S. Attorney by Fraud Section of the Civil Division

21 Frauds—other than above

24 Enforcement—including mandatory injunctions

26 Narcotic Addict Rehabilitation Act

28 Forfeitures

33 Lands—other than condemnation

36 Land Condemnation

40 Patent

44 Penalties

48 Tax Actions other than Lien and Foreclosure suits under Title 28 USC 2410

51 Tax Actions—Lien and Foreclosure under 28 USC 2410

55 Torts suits in which United States is plaintiff

56 Torts suits in which United States is defendant

57 Torts suits other than U.S. plaintiff/defendant

60 Veterans' matters

62 Judicial foreclosure by government

65 Claims for damage to government property other than that included in 66

66 Claims for damage to government owned ships, cargoes and other maritime property

68 Enforcement of foreign judgment

72 Habeas Corpus

75 Civil Rights Act of 1964

76 Application for Executive Clemency

81 Naturalization proceedings—other than cancellation of Naturalization suits

84 Cancellation of Naturalization

88 Miscellaneous action

91 Claims for conversion of Government property other than ships, cargoes, or other maritime property

In addition to the cause of action code, for claims coded "92" or "93" only, enter the referral agency code in "Agency" column.

92 Claims for civil penalties and forfeitures referred by

010 Department of Agriculture

560 Federal Communications Commission

680 Interstate Commerce Commission

93 Claims (excluding Tort Claims) referred by

010 Department of Agriculture

123 Army and Air Force Exchange Service

540 Civil Service Commission

652 Federal Housing Administration

620 General Accounting Office

812 Small Business Administration

400 Treasury

830 Veterans' Administration

94 Mortgage foreclosure where United States is lienor

95 Judicial foreclosure by government

97 Injunction suits under Agriculture Adjustment Act

98 Injunction suits under Packers and Stockyards Act

99 Injunction suits under Perishable Agricultural Commodities Act

#### ACTIVITIES DICTIONARY

#### I. CASE AND MATTER ORIENTED ACTIVITIES

##### A. General—At any stage of proceedings

Code Activity

101 Correspondence—Legal

102 Conference—Legal

103 Extended telephone contact—Legal

104 Liaison with press and civic associations

105 Liaison with "client" Federal Agencies

106 Liaison with State and local agencies

107 Interstate compacts and similar intergovernmental matters

108 Liaison—Interdivisional

109 Counseling and advice to U.S. attorneys and others

110 Review of work performed by U.S. attorneys

111 Review of work performed by or in legal divisions and offices

112 Settlement negotiations and conferences

113 Settlements—Preparation of memoranda or correspondence

114 Considering or evaluating offers in compromise

115 Preparation of reports

#### B. Investigative

201 Requesting, guiding, and directing investigations

202 Conducting own investigation activities

203 Review and analysis of investigation reports

204 Grand Jury investigation

205 Counseling investigators—Extradition and other activities

#### C. Preparation

##### 1. Litigation Oriented Activities

301 Contact with complainants

302 Locating, selecting, and interviewing witnesses

303 Processing agency's requests for litigation

304 Processing requests for authority to dismiss indictments

305 Researching, analysing and reporting on specific points of law

306 Researching and analysing legal-factual problems and developing solutions

307 Preparation of pleadings (complaints, answers, indictments, etc.)

308 Preparation of memoranda of law

309 Preparation of trial briefs

310 Attendance at arraignments

311 Attendance at Grand Jury presentations

##### 2. Nonlitigation Oriented Activities

320 Reviewing title evidence

321 Preparation of preliminary title opinion

322 Preparation of final title opinion

#### D. Pretrial and motion practice

401 Preparation of documents in support of or opposition to motions addressed to pleadings

402 Preparation of documents in support of or opposition to motions addressed to the merits

403 Argument of motion

404 Taking of depositions

405 Other discovery proceedings

406 Pretrial hearing, conference, or argument

#### E. Trial

501 Trial before U.S. Commissioner

502 Jury trial—Federal court

503 Nonjury trial—Federal court

504 Jury trial—State or local court

505 Nonjury trial—State or local court

506 Miscellaneous hearings

507 Preparation of documents necessary to conduct of trial (requests to charge, etc.)

508 Preparation of exceptions to Commissioner's reports and briefs

509 Preparation of exceptions—Other

510 Analysis and summarization of testimony, evidence or records

#### F. Posttrial motion practice

601 Preparation of documents

602 Argument

#### G. Postjudgment collection activities (civil judgments and fines)

701 Negotiation—Reaching agreement with debtor as to amount, method of payment, installments, etc.

702 Servicing—Time spent reviewing accounts including requests for changes in repayment conditions, contacting debtors and determining future efforts

703 Evaluation—Determine whether debts should be compromised or closed as uncollectible

704 Conduct of Supplementary proceedings against debtor, his property, or his legal interests

#### H. Appellate

801 Reviewing opinions of lower courts and recommending whether or not appeal should be taken

802 Preparing memoranda to the Solicitor General recommending for or against appeal to Federal or state appellate courts, for filing briefs *amicus curiae* and petitions for rehearing *en banc*

803 Preparing memoranda to the Solicitor General recommending for or against certiorari

804 Preparing petitions for writ of certiorari or jurisdictional statements

805 Preparing briefs in opposition to petitions for certiorari or motions to dismiss or affirm

806 Preparing briefs on the merits in court of appeals cases

807 Preparing briefs on the merits in state appellate court cases

808 Preparing briefs on the merits in Supreme Court cases

809 Reviewing briefs in opposition to petitions for certiorari or motions to dismiss or affirm

810 Reviewing petitions for certiorari or jurisdictional statements

811 Reviewing briefs on the merits—any court

812 Preparing or reviewing petitions for rehearings *en banc* in Court of Appeals cases

813 Preparing or reviewing any appellate documentation other than that specified above

814 Preparation for oral argument

815 Arguing appeals in any Federal appellate court

816 Arguing appeals in any State appellate court

817 Preparing responses to bail applications, requests for stays, requests for extensions of time, miscellaneous motions and other procedural steps ancillary to the appeal

818 Confering with other offices and divisions on appellate policy positions

#### II. OTHER ACTIVITIES

##### A. Noncase oriented

##### 1. Nonlegislative

901 General administration—Reports, budgetary functions, PPBS, Personnel, etc.

902 Supervising—Work planning, assigning and follow-up of work done by subordinate attorneys, coordinating with other sections, and other duties associated with the orderly performance of the professional staff

903 Review of and reply to citizen, congressional, White House, or other non-agency inquiries

904 Other correspondence—legal and non-legal

905 Travel (covering periods for which per diem is payable)

906 Conferences—legal and nonlegal

907 Responding to inquiries from, maintaining liaison with, and counseling other Federal agencies

908 Analysis and comment on proposed rulings, policy positions, recommendations for prosecution, regulations, and other actions of Federal agencies

909 Advising U.S. attorneys or other Department attorneys on policy and procedure

910 Liaison with State and local agencies

911 Liaison with press, civic, and professional organizations

912 Delivering speeches and speech preparation

913 Preparation of handbooks, manuals, and other instructional or descriptive materials

914 Training attorneys and others

915 Attending training sessions

916 Professional development—keeping current with legal publications and changes in the law



- 917 Researching and analysing legal-factual problems and developing solutions
- 918 Preparation of legal memoranda, prosecutive or otherwise
- 919 Contact with complainants, actual or potential
- 920 Requesting, guiding and directing investigations
- 921 Conducting own investigations
- 922 Review and analysis of investigation reports
- 923 Counseling investigators and other non-attorneys
- 924 Interviewing, report preparation and other activities re Civil Rights Community Observation function
- 925 Consultation, conferences, site inspection and other activities re Civil Rights Community Counseling function
- 926 Preparation of formal opinions of Attorney General
- 927 Preparation of intra-departmental opinions
- 928 Preparation of informal opinions
- 929 Review of Executive orders, proclamations, regulations, and similar items
- 930 Review of departmental regulations, orders, and similar items
- 931 Special assignments

## 2. Legislative

- 950 Liaison with Congress, BOB and other agencies, and divisions re legislation.
- 951 Review of pending or proposed legislation
- 952 Preparation of reports on legislation
- 953 Appearance before committees
- 954 Drafting of proposed legislation and supporting materials
- 955 Preparation of testimony for hearings
- 956 Consulting with noncongressional advisory bodies

## B. Mass case oriented functions

- 960 Conferences—Legal and procedural
- 961 Review of work performed by U.S. attorneys
- 962 Review of work performed by divisions
- 963 Attendance at arraignments
- 964 Attendance at grand jury presentments
- 965 Attendance at U.S. Commissioner's trials
- 966 Processing of unnumbered preliminary matters by subject
- 967 Negotiation of judgment or fine payment methods, installments, amounts, etc.
- 968 Servicing of judgment or fine payment accounts, contacting debtors and determining future efforts
- 969 Evaluation of outstanding judgments for closing as uncollectible
- 970 Processing section 2410 tax liens
- 971 Evaluating and processing requests for authority to dismiss indictments
- 972 Processing routine cases and/or matters (specify type by entering title and section if criminal, or cause of action if civil in proper column on time-sheet.)

[From the Washington Post, Mar. 5, 1969]  
**JUSTICE TO TAKE TIME TO BRIEF TIMEKEEPERS**  
 (By Eve Edstrom)

The Justice Department will spend 1575 attorney hours, beginning today, to explain its new system for making more efficient use of its attorneys' time.

That system—by which Justice attorneys have been told to clock themselves at 12-minute intervals—was said to involve procedures that would take less than 15 minutes of each attorney's daily time.

To explain the system, 90-minute sessions have been scheduled to brief the 1050 attorneys involved.

"That's 1575 man hours," one attorney told The Washington Post yesterday. "And each attorney earns between \$8 and \$10 an hour. Just figure what this ridiculous sys-

tem is costing taxpayers even before it has begun."

A memorandum, announcing seven 90-minute sessions so that all attorneys can attend, was circulated yesterday and signed by Leo M. Pellerzi, assistant attorney general for administration.

Pellerzi, according to Deputy Attorney General Richard G. Kleindienst, was a chief author of the time-recording plan that Kleindienst ordered effective Monday.

But Pellerzi yesterday shied away from taking credit for the time sheet system that Sen. Sam J. Ervin (D-N.C.) has described as "nitpicking of the nitliest kind."

Pellerzi said that the plan is patterned after one that has been used by Interior Department attorneys since 1967. But an Interior spokesman said it has no elaborate 12-minute time sheets.

Pellerzi appeared piqued that news accounts about the foot-long time sheet, which breaks each day into 12-minute periods from 9 a.m. to 6 p.m., did not note that attorneys were told to "destroy" the sheets after transcribing their activities onto a summary form.

He emphasized the time sheets are not devised to evaluate an attorney's performance or to keep tabs on him. For example, he said it is recognized that some attorneys do their best thinking while "gazing out of a window."

This presumably will be recorded as time spent working on a case because the Justice Department's coded dictionary for attorney activities to be listed on the form does not include such items as window-gazing.

Pellerzi said the information gathered from the time system is needed so the Justice Department can give "credible" information to Congress concerning the Department's needs.

But just when the Department will be able to do this was left up in the air yesterday.

Kleindienst said the coded information eventually would be fed into a computer, but the Department probably would have to ask Congress for additional money to do this. He said he recognized "no useful purpose" would be served if the time sheets wound up as so many pieces of paper in a closet.

Pellerzi said he thought Justice division budgets could absorb the cost but that it would take a few months before the system shook down and the information could be computerized.

This might not be before the summer, he said, and would not provide a fair test because legal work is affected by judicial recesses. Therefore, the next fiscal year could be six months old before any results of the plan are known.

[From the Washington Post, Mar. 2, 1969]  
**JUSTICE PUTS STOPWATCH ON ITS LAWYERS**  
 (By Eve Edstrom)

Justice Department attorneys have been told to clock their work at 12-minute intervals under an elaborate time-recording plan ordered by Deputy Attorney General Richard G. Kleindienst.

The plan is attached to a memorandum carrying Kleindienst's signature. It reinforces Kleindienst's reputation as a "Mr. Tough," who was said to have made more enemies than friends when he managed President Nixon's Western regional drive for Republican Convention delegates last year.

Justice Department attorneys were incredulous Friday when they received the memorandum, ten pages of attached instructions for keeping tabs on their daily doings, a "dictionary" of 125 coded numbers to describe their activities and sample time sheets—one of which is more than a foot long.

The instructions are so complex—24 minutes is to be recorded as 00.4, or example—that one attorney said "this is the most com-

plicated case ever assigned to me by the Department."

Kleindienst refused to discuss the memorandum with The Washington Post yesterday. In response to a query, his secretary, Trixie Landsberger, reported that Kleindienst said, "I did not authorize the release of the memorandum and prefer that it not be quoted in The Washington Post."

In the memorandum, dated last Thursday, Kleindienst said, "The intention is not to use time records as a pressuring device."

Instead, he said, it is a way "to assist the individual attorney in developing a better perspective over the use of his time as relative to Department goals."

"... The long-term effect, if time is accurately recorded, will be a relief of individual pressure through provision of adequate personnel and resources to handle our work," Kleindienst said.

But one attorney sputtered that the "long-term effect will be to drive us right out of the Department. This is an insult to our integrity."

## BEGINS MARCH 10

Kleindienst said the time-recording plan would begin March 10 for all—"all" was underlined—Justice Department attorneys here including himself and the Assistant Attorneys General. The offices of U.S. Attorneys will be included at a later date, he said.

The time-recording procedures, he said, will take less than 15 minutes each day, and the daily time sheets will be collected by the following noon. Attorneys on out-of-town assignments will mail their time reports each Friday night.

The attached instructions note that there may be "minor" interruptions, such as short telephone calls, during the work day. Such interruptions are called "de minimis time"—anything that takes less than 12 minutes.

It is recognized that listing such interruptions "would result in an excessive amount of recording."

## ON TIME SUMMARY

Even so, it is "recommended" that each attorney "keep a tally of such items" and then enter a total in hours and tenths—1½ hours is 01.5—in a "de minimis" time box.

That box is included on the attorney's daily time summary, which is the one to be collected by the Justice Department. But that summary is to be based on a "time-recording desk sheet" which breaks the day into 12-minute intervals, beginning at 9 a.m. and ending at 6 p.m.

Use of the 12-minute form is "optional but recommended for the purpose of accuracy." Activities performed are to be listed in the various time slots and if work is interrupted, "note the time this takes place and draw a vertical line down through the first column to the appropriate time line.

## DAILY TOTAL

"Then identify the next item you start working on in the same manner," the instruction sheet says. "Similarly identify the activity and repeat the process throughout the day, keeping track of your time as you go."

At the end of the day, items on the desk sheet are to be summarized so that each activity represents only one line on the form that is to be collected.

"If it appears that this does not cover your complete day, take a few minutes to go back over your diary, the desk sheet and your files and have your secretary review her notes to find what was omitted," the instructions continue.

The time summaries will include several numbers. An attorney must list his six-digit identification number. The three-digit code indicating the division for which he works and the two-digit code for the subunit. These code sheets are also attached to the memorandum.

In addition, the year, month and day is to be listed by number, along with numbers for criminal or civil cases and coded dictionary numbers for activities—104, for example, is liaison with press and civic associations.

If there is no identifying number for a specific matter, the attorney must note this on the back of his time sheet and place a check mark in the "remarks" column.

#### CONGRESSMAN HALPERN INTRODUCES LEGISLATION TO DOUBLE THE PERSONAL EXEMPTION FOR INDIVIDUAL TAXPAYERS AND THEIR DEPENDENTS

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. HALPERN), is recognized for 5 minutes.

Mr. HALPERN. Mr. Speaker, now that the House Ways and Means Committee is conducting full-scale hearings on the broad topic of tax reform, I am confident that many of the inequities in our existing tax system will be brought into balance.

However, I have long believed that effective tax reform must be a two-way proposition. Not only must we close loopholes and eliminate preferential treatment in our tax laws, but we must liberalize the deduction and exemption provisions for our overburdened taxpayers, as well.

Last month, I introduced a broad tax reform package designed to correct blatant inequities in existing tax laws. If this legislation were enacted, it would bring at least \$15 billion additional into the Treasury, and would make unnecessary further extension of our present 10-percent surcharge.

In addition, we would still have several billions for an equitable spread of tax relief.

Mr. Speaker, one of the most direct and just ways to lighten the tax load for low- and middle-income families is by doubling the personal and dependent exemptions.

It is for this reason that I am today introducing a bill to give the American taxpayer a break by doubling the \$600 exemption allowed for the individual taxpayer and each of his dependents.

This legislation would permit the taxpayer to deduct \$1,200 each for himself, his spouse, and his dependents, as well as increasing to \$1,000 the additional exemption available to the blind and to the aged.

The original purpose of the \$600 personal income tax exemption was to provide the taxpayer with sufficient untaxed funds to sustain himself and his family. However, since the time when this provision was enacted, the cost of living has more than tripled, and yet the exemptions for the taxpayer and his dependents have remained the same.

It is ludicrous that current estimates set the poverty level at \$3,000 a year, while our tax laws seem to indicate that a person is expected to live on \$600 a year and can support a family for \$600 per person. It is obvious that the \$600 exemption is hardly more than a token.

Meaningful tax reform must not only eliminate existing gaps in the law, but must also broaden the base for allow-

able deductions and exemptions so that they are consistent with today's social and economic realities.

Therefore, I urge that the Ways and Means Committee, to which this bill will be referred, take immediate action. In all fairness to the American taxpayer we can afford to do no less.

#### REFORMS IN SOCIAL SECURITY SYSTEM

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. FARBERSTEIN) is recognized for 15 minutes.

Mr. FARBERSTEIN. Mr. Speaker, I have today introduced legislation to provide for sweeping reforms in the social security system and to correct the injustices in the medicare and aid to families with dependent children programs. My object in introducing this legislation is to make these programs more capable of meeting human needs. The social security system should not only provide our elderly with an adequate level of benefits, protected against inflation, but should encourage—and not discourage—those in good health, who can and want to work, to do so.

To achieve these objectives, one bill I have introduced would, first, increase monthly benefits by an average of 35 percent and provide a minimum monthly benefit of \$100 for an individual and \$150 for a married couple; maximum benefits payable to disabled widows and widowers would also be increased; and, second, to provide for an automatic increase in benefits to compensate for any increase in the cost of living.

As a result of the sad experience of a retired constituent, I have also introduced legislation to authorize the payment of interest on long-delayed—6 months or more—of social security benefits. It must be remembered that the beneficiaries of this system are receiving a return of moneys contributed in part by them.

I have received a number of letters from constituents regarding the policy of the Government toward payment of interest on overdue social security benefits. These were not monthly payments which were overdue in terms of a few days, but of payments which were months, and on occasion, years late in being corrected.

One constituent of mine retired in 1965 and applied for social security benefits. She was told that a reexamination of her file revealed that she was also entitled to widow's benefits for the period of 1943 to 1946, a period during which she had inquired about benefits but which had been erroneously withheld. She then—in 1965—received a check from the Social Security Administration for the amount owed her for more than 20 years. I believe she should receive interest on this amount. She would have to pay the Government interest if she were overdue in paying them.

To correct injustices under the medicare and ADC programs, I have also introduced legislation to eliminate restrictions placed on Federal contributions to State medicare programs and eliminate

compulsory work training for those on welfare.

Earlier in the 91st Congress, I introduced H.R. 5978 to eliminate population restrictions on aid to families with dependent children.

These three restrictive features of current law impose an unjust hardship on the poor, especially in New York. These features were passed, I believe in haste, and hopefully, the Congress will assert its better judgment and repeal them.

#### PLUGGING TAX LOOPHOLES

The SPEAKER. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 15 minutes.

Mr. REUSS. Mr. Speaker, on January 17 outgoing Treasury Secretary Joseph W. Barr revealed that in 1967 there were 21 persons with incomes of more than \$1 million who paid no Federal income tax whatever. He warned that there would be a "taxpayer's revolt" if the loopholes that allowed these millionaires and other wealthy persons to escape taxation were not closed.

On January 29 I was joined by nine of my colleagues, Mr. MEEDS, Mr. REES, Mr. WILLIAM D. FORD, Mr. MOORHEAD, Mr. ADAMS, Mr. BINGHAM, Mr. BROWN of California, Mr. EDWARDS of California, and Mr. ZABLOCKI in introducing H.R. 5250, the Tax Reform Act of 1969, which would close off 13 of the most notorious loopholes and bring in some \$9 billion in additional revenue. Subsequently, Mr. BLATNIK, Mr. KARTH, and Mr. HELSTOSKI introduced identical bills, and Mr. GIBBONS introduced an identical bill, H.R. 7585, for himself and 14 cosponsors, Mr. CONYERS, Mr. LONG of Maryland, Mr. ST. ONGE, Mr. FARBERSTEIN, Mr. POBELL, Mr. BYRNE of Pennsylvania, Mr. THOMPSON of New Jersey, Mr. MIKVA, Mr. EILBERG, Mr. YATRON, Mr. ROSENTHAL, Mr. VIGORITO, Mr. KOCH, and Mr. NEDZI.

On February 5, the House Ways and Means Committee and the Senate Finance Committee made public the Treasury Department's tax reform studies and proposals, and included there were a number of case studies showing in detail exactly how selected millionaires were able to reduce their tax bill to zero—pages 89 to 95 of the committee print. Newsweek magazine did a story on these millionaire nontaxpayers in its February 24 issue, and I commend it to my colleagues:

#### HOW TO MAKE MILLIONS AND PAY NOT A CENT

A loophole, in military parlance, is a small opening in the walls of a fortress that permits a defender to fire upon besiegers without unduly exposing himself. To the rich man, the tax loophole is a means of defending his fortune and income from the depredations of raiding tax collectors. To the tax collectors and many ordinary citizens who have no loopholes of their own, it is an abomination.

Whatever the viewpoint, it is a plain fact the under the current U.S. tax code hundreds of thousands of wealthy taxpayers find loopholes that substantially lower the income taxes they would otherwise have to pay. Files of the Internal Revenue Service for 1967 show that there were scores of people with incomes in six figures who paid no income tax at all because of legal loopholes,



and some of these were millionaires. At straight rates and without loopholes, by contrasts, the tax on an unmarried person with a bare-subsistence income of \$1,700 was \$117.30, almost 7 per cent of his income.

In the Treasury's eye, a loophole is any special privilege enjoyed by some taxpayers but not by all. And in this sense, there are many loopholes, such as the double personal exemption (\$1,200 instead of \$600) that may be taken by any person over 65 years of age, that are not necessarily controversial. But there are dozens of other loopholes that concern the Treasury. They fall generally into two main categories.

One category is the provision for lower-than-normal tax rates on income derived from certain special sources. Half of any capital gain made on an investment that is held by a taxpayer for six months or longer, for instance, is exempted completely from taxes; the remaining half of the gain is taxed at the regular rate that the taxpayer would pay on normal income up to a maximum of 50 per cent. In effect, the maximum tax on such gains, then, is only 25 per cent. Another area the tax code smiles on is income from mineral ventures—a person can freely pocket 27½ per cent of his total take from gas or oil wells as a "depletion allowance" before even thinking about calculating his tax. Then there is the interest from state and local bonds—all tax-free even if the bond owner receives millions a year from such sources.

The second main category of tax privilege is created by special methods of accounting permitted in certain industries. These methods, wonder of wonders, enable individuals engaged in such fields as real estate and part-time cattle breeding or fruit growing to report a loss for tax purposes while actually making millions. A high-bracket taxpayer can buy a herd of breeding cattle, for instance, and immediately deduct his total outlay plus most of his anticipated expenses over the next year. Since his cattle yield no income, the whole expense becomes a tax "loss" which he can use as a deduction against his ordinary income. What's more, when he sells his herd, the resulting profit is treated as a capital gain, on which he pays a maximum tax of only 25 per cent. The same kind of accounting gimmickry can also help those who engage in railroad-car leasing, airplane leasing or oil-tanker operations.

The losses in tax revenues to the Federal government through the loopholes are huge. The Treasury estimates that the low rate on capital gains costs between \$5.5 billion and \$8.5 billion annually. The tax exemption on interest paid by local bonds costs \$1.8 billion, the depletion allowance for oil and gas deprives the government of \$1.3 billion and the real-estate tax shelter takes away an added \$750 million in potential revenue.

Some of the loopholes, to be sure, were consciously adopted by Congress—the low capital-gains tax was installed to encourage job-creating, long-term investment. But others, such as farm and real-estate "losses," are simply clever abuses of the tax code that were unforeseen by the lawmakers. And whatever their origins, the effects of the dodges on the tax returns of the very rich can be stunning. Here are four recent cases from the files of the Internal Revenue Service.

Case 1: Taxpayer "A" reported a whopping total income of \$8.2 million. But \$6.9 million of the income qualified as a capital gain. Half of this, about \$3.4 million, was, of course, tax-free under capital gains provisions, so his taxable income was cut to \$4.8 million. Enter a loophole picturesquely called the "Philadelphia nun clause"—so named because it was originally adopted to let a wealthy Philadelphia Mainliner who had become a nun give away all the income she received from family trusts without paying taxes on it. The clause has been subsequently interpreted to let taxpayer "A" do the following: he contributed to charity some property

he had bought cheap but which was now worth \$5.1 million. This let him avoid a capital-gains tax on the rise in the property's worth. It also gave taxpayer "A" a \$5.1 million "unlimited charitable contribution" deduction that he could then apply against his \$4.8 million taxable income. The deduction, of course, was \$300,000 greater than the income. Result: no taxable income and no taxes.

Case 2: Taxpayer "B" had a total income of \$1.3 million. But \$1.2 million of it came from a capital gain. As with taxpayer "A," half of this gain—\$600,000—was tax-free, reducing "B's" taxable income to \$700,000. But "B" had interest charges totaling \$600,000 on loans he had borrowed to finance his massive investments—investments that he hoped would also produce handsome capital gains. Such interest charges, like the interest on the average homeowner's mortgage, are deductible. Together with local taxes, medical expenses and other normal deductions, taxpayer "B's" interest charges reduced his taxable income to exactly \$2,386. After taking certain other small credits, he paid a tax of \$383.

Case 3: Taxpayer "C" had a total income of \$2.3 million. Part was capital gains, the deductible portion of which reduced taxable income to about \$1.9 million. Against this, taxpayer "C" had a 27½ per cent oil and gas depletion allowance of \$900,000, which brought taxable income down to \$1 million. Taxpayer "C" also had a farm "loss"—most of it resulting from a heavy investment in new breeding cattle—of more than \$800,000. This "loss," together with nearly \$200,000 in normal personal deductions, reduced taxpayer "C's" taxable income to zero.

Case 4: Taxpayer "D" had total income of \$1.4 million—most of which was a capital gain from the sale of real estate. The deductible part of the capital gain reduced taxable income to \$800,000. The gimmick in real-estate operations, however, is that owners, after deducting all operating expenses from the flow of rental income, can take whopping additional "depreciation" write-offs. The theory of depreciation is to permit the owner of any asset that can wear out to recoup his investment over what is judged to be the asset's useful life. Due to the peculiarities of real estate, however, depreciation write-offs allowable for tax purposes can far outstrip a building's actual current profits. Thus, though a real-estate man is pocketing hard cash income from a property, he is running up a bookkeeping "loss" for tax purposes. In taxpayer "D's" case, his depreciation write-off produced a "loss" of almost \$900,000. This more than covered the remaining \$800,000 in taxable income that he reported. The taxes paid by taxpayer "D": zero.

These examples from IRS records, though extreme, typify the kind of protection available to wealthy citizens with skilled tax advisers. Not all wealthy individuals, of course, take advantage of one or more of these legal loopholes. But enough do to give Washington an increasing incentive for tax reform.

#### ROONEY QUESTIONS CONFLICTING INTERESTS OF MAGAZINE SALES COMPANY OFFICIAL AS AIDE TO MARYLAND ATTORNEY GENERAL

The SPEAKER. Under a previous order of the House, the gentleman from Pennsylvania (Mr. ROONEY) is recognized for 15 minutes.

Mr. ROONEY of Pennsylvania. Mr. Speaker, for the third time in 8 days I feel obliged to invite my colleagues' attention to a most serious problem of consumer deception by unscrupulous magazine subscription sales companies.

In prior statements I have discussed fraudulent sales practices, the obvious failure of the industry's voluntary self-

regulation code, investigations into magazine subscription sales frauds being conducted by the staffs of the respective attorney general of Pennsylvania and New Jersey, and the reactions of several members of the Federal Trade Commission to my conviction that FTC and congressional committee investigations are warranted.

It is commendable that the attorneys general of Pennsylvania and New Jersey have launched investigations into consumer complaints of magazine subscription sales frauds. It is commendable that attorneys general of such other States as Massachusetts have carried out over a period of time programs to alert private citizens to the deceptive sales tactics of certain magazine sales companies.

But I find it deplorable that an aide to the attorney general of Maryland, whose office has reported receiving complaints of magazine subscription sales frauds, should appear at an informal hearing in New Jersey representing a sales company whose methods are being investigated and seek to cloak his company's sales practices in the respectability associated with his public office.

I refer to the appearance of Donald H. Noren, special assistant attorney general of Maryland, at a hearing called by the New Jersey Office of Consumer Protection to explore consumer complaints against the International Magazine Service. In attendance was the president of International Magazine Service, accompanied by his attorney, Donald H. Noren, who also happens to be secretary of International Magazine Service. Also present were Deputy Attorney General Douglas Harper, of New Jersey, who is investigating magazine sales rackets in his State, and Deputy Attorney General Ben Kirk who is in charge of a similar investigation in Pennsylvania and who attended as an observer.

Another in attendance was the editor of "Action! Express," a public service feature of the Easton, Pa., Express newspaper, whose exposure of magazine sales frauds in Pennsylvania and New Jersey has prompted the two States' investigations.

It was in this setting that Mr. Noren, secretary and counsel for a firm which was a subject of the informal proceedings, made reference to his public role as a member of the staff of the Maryland attorney general.

It is my opinion these public and private business activities of Mr. Noren are clearly incompatible, particularly if the former is used in defense of the latter. It is significant, too, I think, that Mr. Noren's private law firm, Kramer & Noren, shares the same Baltimore address as International Magazine Service, serves as collection agency for International Magazine Service, and issues collection notices under a letterhead bearing the special assistant attorney general's name. I should like to include in the RECORD a copy of a collection letter issued by the firm of Kramer & Noren, over the signature of Mr. Noren's law partner, Gilbert Kramer.

I find it interesting, too, that Maryland Attorney General Francis Burch recently told "Action! Express," his office had received several dozen complaints about International Magazine Service and that

these were referred to IMS and the subscriptions subsequently canceled. I cannot help but wonder whether these cancellations were made to avert what might be an embarrassing investigation of magazine subscription sales deceptions in Maryland. Under these conditions, can a Maryland consumer expect a fair shake when he carries his complaints to the State house?

All of this, Mr. Speaker, lends gravity to the urgent need for thorough investigation of the magazine subscription sales industry in this country. And all of this has prompted me to write to the Maryland attorney general to invite his comments on the compatibility of Mr. Noren's public and private business involvement. I would like to insert a copy of that letter in the RECORD, as well.

In addition, and for the information of my colleagues, I would like to include in the RECORD a sampling of New Jersey consumer complaints about sales methods used by International Magazine Service and copies of several newspaper articles which will indicate the concern of a number of State attorneys general about magazine subscription sales practices:

MARCH 3, 1969.

HON. FRANCIS BURCH,  
Attorney General of Maryland,  
Annapolis, Md.

DEAR MR. ATTORNEY GENERAL: Information which has just come to my attention prompts me to seek your comment regarding what appears to be incompatible positions of public and private activity by a member of your staff.

I am advised that Mr. Donald H. Noren, a member of the Kramer & Noren law firm, Suite 101, N2520 North Charles Street, Baltimore, Md., 21218, recently appeared at an informal hearing conducted by the New Jersey Office of Consumer Fraud in Newark, N.J. Mr. Noren appeared in a dual role as attorney for the President of International Magazine Service and as the Secretary of I.M.S.

Also present at the hearing were Deputy Attorneys General Douglas Harper of New Jersey and Ben Kirk of Pennsylvania, the latter as an observer. I am advised that during the course of this hearing, Mr. Noren, whose company International Magazine Service has been the subject of numerous consumer complaints in New Jersey and Pennsylvania identified himself as a member of the Attorney General's staff for the State of Maryland.

Further I am advised that your office informed "Action Express" a public service feature of the Easton, Pa. Express newspaper recently that your office also received a number of consumer complaints about International Magazine Service and that these complaints were referred to I.M.S. which in turn cancelled the subscriptions.

I would appreciate your comment on this information with particular reference to the compatibility of Mr. Noren's public position on your staff and his private position with International Magazine Service. In this regard I am enclosing a copy of a letter bearing the letterhead of Mr. Noren's law firm.

This letter is a fine example of the high-pressure collection tactics being used by magazine subscription sales companies after consumers discover they were duped by deceptive magazine sales techniques and attempt to cancel the subscriptions. It is precisely this type of high-pressure sales and collection practices being investigated now by the Attorneys General of New Jersey and Pennsylvania. Also, it is precisely the type of practices I have urged both the Federal Trade

Commission and the House Interstate and Foreign Commerce Committee to investigate.

With kind personal regards I am

Sincerely yours,

FRED B. ROONEY,  
Member of Congress.

BALTIMORE, Md.,  
January —, 1969.

Mrs. ————,  
Phillipsburg, N.J.

Re International Magazine Service.

Contract No. ————

Amount past due, \$33.50, including charges and costs.

Balance in full, \$177.50.

The above claim, describing your account with our client, has been forwarded to this office for collection.

We are advised that you have been requested repeatedly to pay this indebtedness, but that up to this time you have not done so.

Our instructions are to recover the above sum by appropriate legal action; however, we are communicating with you in order to afford you an opportunity to make direct payment.

You are urged to immediately remit, by check or money order, either the balance in full, or the amount past due, as detailed above.

Either method of payment should be made within five (5) days from the date hereof. Such compliance is obviously to your advantage since it will avoid further legal action.

Please use the self-addressed envelope which is enclosed for your convenience, and return this letter to assure proper credit on your account.

All inquiries relating to your subscription and account balance can best be handled by direct inquiry to the creditor.

Very truly yours,

GILBERT KRAMER,  
Attorney at Law.

JANUARY 15, 1969.

DEAR SIR: Please help me to cancel a magazine contract. I have been receiving magazines for a few months. I thought I was signing to enter a Sweepstakes and as it ended up I had signed a contract at almost \$7.00 a month. If I were to pay the contract in full it would add up to over \$200. I am receiving threat letters in the mail and it is beginning to be a nuisance. I must be receiving every magazine there is and I think anyone who would knowingly sign a contract such as this would be crazy. Please help me. I haven't read any of the magazines. The name of the company is: International Magazine Service, 2520 N. Charles St., Baltimore, Md. 21218.

Sincerely yours,

Mrs. ————,  
Stewartsville, N.J.

PHILLIPSBURG, N.J.,  
January 13, 1969.

ACTION! EXPRESS,  
Easton, Pa.

DEAR SIR: I am really ashamed to admit it, but I, too, am a sucker victim of the magazine racket to the tune of \$180.00.

I am a widow on Social Security and a very small pension, and I have Medicare.

My story—my phone rang one morning, 7/3/68 to be exact, as I lay in my bed ill, advising me that I had won a subscription to several magazines, and that they would send their representative around.

In 15 minutes my doorbell rang insistently, and I put on a robe and went down to my door to answer the constant ringing. A young man stood there and told me that I had won and I could name the magazine, and then asked for my signature.

I told him that I did not have my glasses and could not read. He then "read to me" what I was to sign, hence my signature.

Several days later I received several telephone calls to check on the magazines named. I explained that I was a widow on Social Security and could not afford the \$6.00 per month which I learned I was committed to, that I was over 65 and a 5-year subscription was too long.

I was told by the person (a female) that I should try paying and if I could not meet the payments, I was to advise them. This I have done and received word that I was committed and must pay.

The name of the company is International Magazine Service, 2520 N. Charles St., Baltimore, Md. 21218, monthly payments of \$6.00 for 30 months. I have paid 6 months for \$30.00, but did not make the Jan. 1st payment. It still has 2 years of payments, and I have refused the last magazines.

I tried to have them stopped at the Post Office but was informed that I would have to refuse them which I have done.

Incidentally it says that my order is secured by a \$6000 bond deposited with Central Registry.

Thank you for any advice.

Sincerely,

DEAR ACTION: Just read your column from L.S.R. of P. Burg who was trick in to buying magazines. I was one of those people too. But they asked me where I get my most news from so I said only kiddingly the Bible so she said you won. No more then I hung up a man came and told me to sign and I would only have to pay a small charge for handling. I told him I didn't want them and he said they could not cancel them. So I paid. Its now been a year and I cannot afford it because three in the family were in the hospital and we have to pay that and a lot of Drug bills. I have called them and begged them to cancel them. She told me she wouldn't and couldn't. She said if I didn't pay she would attach my husbands wages. I didn't want that so I paid. Now I can't pay any more because I can't. Can you take action. I know another woman they did that on. I had to pay \$112.00 but I told them I couldn't, so now they made me pay \$78.00. The name of the magazine is International Magazine Service.

Thank you.

Mrs. ————,  
NESHANIC STATION, N.J.

DEAR SIR: I read your article on "Don't be a Sucker" and that meant me too. I too was called on the phone in Feb. stating my name was chosen for the lucky one. I was supposed to get 5 different magazines if I'd answer a question. I said—what is this, a gag? She said no—Just answer the question—where do you get the most ads from? and I said the paper—Then she named the magazines I'd be getting and also a free sub. to anyone I chose to give it to. I told her I did not want any magazines. But she said I'd get them regardless. Then she said—only 58¢. Not saying at first—(a wk.) But she meant a wk. and I thought a month. Well, she had me so confused. A very short time a man appeared at my door—I didn't leave him in—said he came direct from Allentown. (I said in this short time?). He said oh—I was just passing by so I stopped. I told him I did not want the magazines. He said "oh it's too late now" they already telegraphed the order to Baltimore. He said sign your name. I didn't want to. He said you have to sign. I said why? That is to protect you from higher prices and any time you want to change any magazines we will do so. I was so confused again so like a fool I signed. When I got into the house I looked at it and here it said.

"Read carefully before signing" in fine print. "This offer is subject to approval by verifier. After signing by subscriber, it is understood and agreed this will constitute a contract, which is subject neither to change



nor cancellation and on which you must make monthly payments.

Now why didn't he tell me to read it instead of the answers he gave me?

Then he wanted me to give him \$5 in advance. I said I didn't have that kind of money. So he said Mind if I pay it? I said no. So he said well \$3.00 a month. I was so upset I couldn't sleep for wks (afraid to tell my husband as he really would tear into me). I'm paid til Oct. What shall I do? I'm so afraid they will make trouble for me if I don't pay. It's called International Mag. Service, 2520 N. Charles St., Baltimore, Maryland, Tel. 301-243-6971.

I've written letters to them telling them to discontinue the magazines. But they said they can't.

Please help me sir. Tell me what to do. To pay or to forget it. I'm in a terrible nervous state and I need that money for Dr. bills and etc. They even asked me where my husband works.

Phillipsburg, N.J.

[From the Easton (Pa.) Express,  
Jan. 24, 1969]

#### INQUIRY IS ORDERED IN PENNSYLVANIA INTO MAGAZINE SALES FRAUD

HARRISBURG.—Atty. Gen. William C. Sennett of Pennsylvania today ordered an investigation with a view to prosecuting those who had secured magazine subscriptions in this state by misrepresentation, trickery and fraud. Some of the gullible ones were tricked into signing contracts for as much as \$180 worth of subscriptions by assurances that the signature was simply an agreement to pay 39 cents a month for "handling charges."

The attorney general assigned two deputy attorneys general, Richard Goldberg and Ben Kirk to prepare a report for use in court based on the documentary evidence supplied the state, at its request, by Action! Express.

The announcement that the investigation had been launched followed a conference between Sennett and Mrs. Virginia H. Knauer, director of the Pennsylvania Bureau of Consumer Protection at which a study was made by the Action! Express material.

Mrs. Knauer told Action! Express, "The attorney general feels that there is more than sufficient evidence to warrant prosecution. His attitude is that Pennsylvania intends to use every resource in its power to put a stop to this sort of misrepresentation, trickery and fraud practiced on its citizens. And the attorney general wants you to know that we are all grateful to Action! Express for bringing this to our attention."

Meantime Deputy Atty. Gen. Paul Krebs, of New Jersey's Bureau of Consumer Frauds, had investigators in the Phillipsburg area interviewing Jersey citizens who had been victimized by the magazine racket salesmen, to collect testimony for a scheduled appearance in court for an injunction to end such activities in New Jersey.

[From the Stoughton (Mass.) Chronicle,  
Aug. 22, 1968]

#### CONSUMER NEWS FROM ATTORNEY GENERAL ELLIOT RICHARDSON

Magazines are sold in many fraudulent ways. Last week I discussed the "boiler-room" operations wherein telephone solicitors offer prizes of "free" magazines—prizes which end up costing a great deal of money. But there are also varieties of deception in which a salesman comes to your door and deceives you right before your eyes.

One of the oldest of these schemes—and one which victimizes an untold number of persons—involves the line, "I'm working my way through college." Don't be taken in by it. Many of these "students" earn more than \$200 per week and go to a college campus only to sell more magazines.

Just as fraudulent is the salesman who tells you he's working on a point system and will win a college scholarship if he earns enough points. The only points he's earning count not toward his education but toward a company bonus.

As consumers become more sophisticated, so do the schemes used to separate them from their money. In one new scheme, a magazine salesman begins by asking his prospective customer if he's interested in civil rights. If the customer says he is—and most do—then the salesman is quick to tell him a unique way in which he can help the civil rights movement—by buying magazines.

If the customer buys his magazines, the salesman says, the proceeds go to a scholarship fund for young Negro men and women or a subscription is sent in the customer's name to a Negro university.

But no such scholarship fund exists. And a Negro university has yet to benefit from a customer's decision to buy magazines. The civil rights movement isn't the only cause or organization used by unscrupulous magazine salesmen. The names of Father Flanagan's Boys Town, the Kennedy Youth Opportunity Program and the Chelsea Soldiers' Home have also been used and used successfully.

There are three questions which I urge you to ask yourself when you are approached to buy magazines:

1. Do you really want or need the magazines? Remember, the cost may run to \$90 or more.

2. Is the person at your door a real salesman for an existing company? Insist upon identification and check with the local police or Better Business Bureau if you are doubtful.

3. Will your purchase really benefit anyone but the salesman and his company? A call to your local Better Business Bureau or the headquarters of the organization the salesman claims to represent may save you both money and trouble.

Next week, I will discuss how the purchase of a swimming pool can cool you off in the summer, but give you a financial headache in the fall. Meanwhile, if you have a consumer problem, write to Attorney General Elliot Richardson, Consumer Protection Division, State House, Boston, Mass. 02133.

[From the Minneapolis (Minn.) Star, Jan. 9,  
1969]

#### DISTRIBUTORS AGREE TO POLICE SALESMEN

Five magazine distributing companies, all subsidiaries of Cowles Communications Inc., have agreed not to use certain deceptive and misleading sales and collection practices, Atty. Gen. Douglas M. Head said Wednesday. The five are Mutual Readers League Inc., Civic Reading Club Inc., Home Reference Library Inc., Home Reader Service Inc., and Educational Book Club Inc., all with headquarters in Des Moines, Iowa.

(Gardner Cowles, chairman of Cowles Communications, Inc., is an uncle of John Cowles Jr., president of the Minneapolis Star and Tribune Company; but there is no corporate connection between the two companies.)

Head said his consumer protection unit has received many complaints on magazine sales practices and he would try voluntary policing on a trial basis. He left open the possibility of court action if the system doesn't work.

He said the companies have agreed to tell their salesmen not to:

Falsely represent that the buyer will receive something for nothing.

Attempt to evoke sympathy of faking illness or handicap.

Misrepresent the terms of the subscription contracts.

Say that a subscription will cost more if purchased directly from the publisher.

Misrepresent to a customer that the document he is signing is not a contract.

Threaten to garnishee wages, send letters implying that they are court or governmental orders, falsely threaten court action or demand improper "late charges" to collect subscription fees.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. FRELINGHUYSEN (at the request of Mr. GERALD R. FORD), for the week of March 3, on account of official business.

Mr. BROOMFIELD (at the request of Mr. GERALD R. FORD), for the week of March 3, on account of official business.

Mr. BETTS (at the request of Mr. GERALD R. FORD), for the week of March 3, on account of official business.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HALPERN (at the request of Mr. BROTMAN), for 5 minutes, today; to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. ANDERSON of California) and to revise and extend their remarks and include extraneous matter:)

Mr. FARBERSTEIN, for 15 minutes, today.

Mr. REUSS, for 15 minutes, today.

Mr. ROONEY of Pennsylvania, for 15 minutes, today.

#### EXTENSIONS OF REMARKS

By unanimous consent, permission to extend remarks was granted to:

Mr. EDMONDSON in two instances.

Mr. TALCOTT and to include extraneous matter.

Mr. HALL and to include extraneous matter.

Mr. RANDALL.

(The following Members (at the request of Mr. BROTMAN) and to include extraneous matter:)

Mr. BURKE of Florida in four instances.

Mr. HOGAN.

Mr. FULTON of Pennsylvania in five instances.

Mr. KUYKENDALL.

Mr. SCHERLE.

Mr. CONTE.

Mr. SNYDER.

Mr. BOB WILSON.

Mr. HARVEY.

Mr. RIEGLE.

Mr. COLLIER in two instances.

Mr. GROSS.

Mr. HOSMER.

Mr. BROCK.

Mr. WATSON.

Mr. WHALLEY.

Mr. POLLOCK.

(The following Members (at the request of Mr. ANDERSON of California) and to include extraneous matter:)

Mr. ROONEY of Pennsylvania in five instances.

Mr. BINGHAM.

Mr. BIAGGI.

Mr. LONG of Maryland in three instances.

Mr. GREEN of Pennsylvania in four instances.

Mr. GONZALEZ in three instances.  
Mr. ABBITT.  
Mr. DELANEY in two instances.  
Mr. RIVERS.  
Mr. EILBERG.  
Mr. RARICK in four instances.  
Mr. MOORHEAD in two instances.  
Mr. FULTON of Tennessee.  
Mr. ECKHARDT.

#### SENATE BILL AND CONCURRENT RESOLUTION REFERRED

A bill and concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1022. An act to provide that future appointments to the office of Administrator of the Social and Rehabilitation Service, within the Department of Health, Education, and Welfare, and to certain subordinate offices, be made by the President, by and with the advice and consent of the Senate; to the Committee on Ways and Means.

S. Con. Res. 5. Concurrent resolution to print additional copies of hearings on the nomination of Walter J. Hickel to be Secretary of the Interior; to the Committee on House Administration.

#### ADJOURNMENT

Mr. ANDERSON of California. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 30 minutes p.m.), the House adjourned until tomorrow, Thursday, March 6, 1969, at 12 o'clock noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

561. A letter from the Comptroller General of the United States, transmitting a report on practices followed in adjusting Federal grants awarded for construction of academic facilities, Office of Education, Department of Health, Education, and Welfare; to the Committee on Government Operations.

562. A letter from the Under Secretary of the Interior, transmitting the seventh annual report on operations under the act of October 3, 1961, to stabilize the mining of lead and zinc by small producers on public, Indian, and other lands, pursuant to the provisions of section 8 of that act; to the Committee on Interior and Insular Affairs.

563. A letter from the Postmaster General transmitting a draft of proposed legislation to provide that appointments and promotions in the Post Office Department and postal field service be made on the basis of merit and fitness; to the Committee on Post Office and Civil Service.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 4 or rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. STAGGERS (for himself and Mr. SPRINGER):

H.R. 8261. A bill to amend the Federal Aviation Act of 1958, as amended, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ASHLEY:

H.R. 8262. A bill to establish a National Economic Conversion Commission, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ASHLEY (for himself, Mr.

BETTS, Mr. MICHEL, Mr. ROSENTHAL, and Mr. ZABLOCKI):

H.R. 8263. A bill to amend the Federal Water Pollution Control Act, as amended, relating to cooperation by other Federal departments and agencies to control pollution, and for other purposes; to the Committee on Public Works.

By Mr. BENNETT:

H.R. 8264. A bill to amend the Internal Revenue Code of 1954 to permit individuals receiving civil service retirement annuities to elect to have income tax deducted and withheld from their annuity payments; to the Committee on Ways and Means.

By Mr. BRAY:

H.R. 8265. A bill to change the definition of ammunition for purposes of chapter 44 of title 18 of the United States Code; to the Committee on the Judiciary.

By Mr. BROWN of Michigan (by request):

H.R. 8266. A bill to permit the establishment and operation of certain branch offices by the Michigan National Bank, Lansing, Mich.; to the Committee on Banking and Currency.

By Mr. BROWN of Michigan:

H.R. 8267. A bill to amend the Internal Revenue Code of 1954 to increase the deductions allowable for expenses of medical care of persons over age 65; to the Committee on Ways and Means.

By Mr. BURKE of Florida:

H.R. 8268. A bill to amend the Public Health Service Act to provide special assistance for the improvement of laboratory animal research facilities, to establish standards for the humane care, handling, and treatment of laboratory animals in departments, agencies, and instrumentalities of the United States and by recipients of grants, awards, and contracts from the United States, to encourage the study and improvement of the care, handling, and treatment and the development of methods for minimizing pain and discomfort of laboratory animals used in biomedical activities, and to otherwise assure humane care, handling, and treatment of laboratory animals, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 8269. A bill to amend chapter 83, title 5, United States Code, to eliminate the reduction in the annuities of employees or Members who elected reduced annuities in order to provide a survivor annuity if predeceased by the person named as survivor and permit a retired employee or Member to designate a new spouse as survivor if predeceased by the person named as survivor at the time of retirement; to the committee on Post Office and Civil Service.

H.R. 8270. A bill to provide increased annuities under the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

H.R. 8271. A bill to provide for a national cemetery in the area of Broward County or Dade County, Fla.; to the Committee on Veterans' Affairs.

H.R. 8272. A bill to amend title XVIII of the Social Security Act to remove the present limit on the number of days for which benefits may be paid thereunder to an individual on account of posthospital extended-care services; to the Committee on Ways and Means.

H.R. 8273. A bill to amend title 38 of the United States Code to provide that travel allowances paid to veterans traveling to and from Veterans' Administration facilities shall in no event be less than those paid to employees of the Federal Government traveling on official business; to the Committee on Veterans' Affairs.

By Mr. COLLIER:

H.R. 8274. A bill to amend the Internal Revenue Code of 1954 to allow a deduction to a taxpayer who is a student at a college for certain expenses incurred in obtaining a higher education; to the Committee on Ways and Means.

By Mr. CORMAN:

H.R. 8275. A bill to amend the Federal Hazardous Substances Act to protect children from toys or other articles intended for use by children which present any electrical, mechanical, or thermal hazard; to the Committee on Interstate and Foreign Commerce.

By Mr. DELANEY:

H.R. 8276. A bill to amend the Internal Revenue Code of 1954 to allow a deduction against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. DONOHUE:

H.R. 8277. A bill to amend the Federal Hazardous Substances Act to protect children from toys or other articles intended for use by children which present any electrical, mechanical, or thermal hazard; to the Committee on Interstate and Foreign Commerce.

By Mr. DUNCAN:

H.R. 8278. A bill to amend title XVIII of the Social Security Act to provide payment for chiropractors' services under the program of supplementary medical insurance benefits for the aged; to the Committee on Ways and Means.

By Mr. EDMONDSON:

H.R. 8279. A bill to provide an equitable system for fixing and adjusting the rates of compensation of wage board employees; to the Committee on Post Office and Civil Service.

By Mr. FARBERSTEIN:

H.R. 8280. A bill to amend title II of the Social Security Act to permit payment of interest on certain delayed payments of benefits and assessment of interest against certain unrefunded overpayments; to the Committee on Ways and Means.

H.R. 8281. A bill to amend title XVIII of the Social Security Act to permit payment thereunder, in the case of an individual otherwise eligible for home health services of the type which may be provided away from his home, for the costs of transportation to and from the place where such services are provided; to the Committee on Ways and Means.

H.R. 8282. A bill to amend title II of the Social Security Act to increase monthly benefits (with subsequent cost-of-living increases), to provide higher widow's and widower's benefits, and to increase the amount of earnings counted for benefit and tax purposes; to the Committee on Ways and Means.

H.R. 8283. A bill to amend titles IV and XIX of the Social Security Act to eliminate certain restrictions and limitations on programs of aid to families with dependent children and medical assistance; to the Committee on Ways and Means.

By Mr. WILLIAM D. FORD:

H.R. 8284. A bill to amend the Federal Aviation Act of 1958 to authorize reduced-rate transportation for certain additional persons on a space-available basis; to the Committee on Interstate and Foreign Commerce.

By Mr. FULTON of Tennessee:

H.R. 8285. A bill to amend title II of the Social Security Act to increase from \$1,680 to \$3,000 the amount of outside earnings permitted each year without deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. FUQUA:

H.R. 8286. A bill to provide for a survey by the Secretary of the Army of Black Creek, Fla., for flood control and related purposes; to the Committee on Public Works.

By Mr. GONZALEZ:

H.R. 8287. A bill to carry out the recommendations of the Joint Commission on the Coinage; to the Committee on Banking and Currency.

By Mr. HALPERN:

H.R. 8288. A bill to amend the Internal Revenue Code of 1954 to increase from \$600 to \$1,200 the personal income tax exemptions



of a taxpayer (including the exemption for a spouse, the exemptions for a dependent, and the additional exemptions for old age and blindness); to the Committee on Ways and Means.

By Mr. HOLIFIELD (for himself and Mr. PRICE of Illinois):

H.R. 8289. A bill to amend the Atomic Energy Act of 1954, as amended, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. HOSMER:

H.R. 8290. A bill to permit retired personnel of the Armed Forces to receive benefits under chapter 81 of title 5, United States Code, relating to compensation of Federal employees for work injuries; to the Committee on Education and Labor.

H.R. 8291. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. JACOBS:

H.R. 8292. A bill to provide for the issuance of a special postage stamp in honor of the late Dr. Martin Luther King, Jr.; to the Committee on Post Office and Civil Service.

By Mr. KASTENMEIER:

H.R. 8293. A bill to amend title XV of the Social Security Act with respect to the assignment of wages for purposes of unemployment compensation for Federal employees; to the Committee on Ways and Means.

H.R. 8294. A bill to repeal section 1511(f) of the Social Security Act so that in determining eligibility of ex-servicemen for unemployment compensation their terminal leave shall be treated in accordance with State laws; to the Committee on Ways and Means.

By Mr. KING:

H.R. 8295. A bill to amend the Tariff Schedules of the United States with respect to the rate of duty on paper industries machinery; to the Committee on Ways and Means.

H.R. 8296. A bill to provide for the orderly marketing of articles imported into the United States, to establish a flexible basis for the adjustment by the U.S. economy to expanded trade, and to afford foreign supplying nations a fair share of the growth or change in the U.S. market; to the Committee on Ways and Means.

By Mr. KLUCZYNSKI:

H.R. 8297. A bill to amend title XVIII of the Social Security Act to provide payment for chiropractors' services under the program of supplementary medical insurance benefits for the aged; to the Committee on Ways and Means.

By Mr. KUYKENDALL:

H.R. 8298. A bill to amend section 303(b) of the Interstate Commerce Act to modernize certain restrictions upon the application and scope of the exemption provided therein; to the Committee on Interstate and Foreign Commerce.

By Mr. McDADE:

H.R. 8299. A bill to amend title 38 of the United States Code so as to provide that monthly social security benefit payments and annuity and pension payments under the Railroad Retirement Act of 1937 shall not be included as income for the purpose of determining eligibility for a veteran's or widow's pension; to the Committee on Veterans' Affairs.

By Mr. MIKVA:

H.R. 8300. A bill to amend the Military Selective Service Act of 1967 in order to provide a more equitable system of selecting persons for induction into the Armed Forces under such act, to improve the administration of such act, to authorize a study of the alternatives to the method of providing personnel for the Armed Forces, and for other purposes; to the Committee on Armed Services.

By Mr. MIZELL:

H.R. 8301. A bill to establish the Commission for the Improvement of Government Management and Organization; to the Committee on Government Operations.

By Mr. MOSS (for himself and Mr. BROWN of California):

H.R. 8302. A bill to amend the Federal Hazardous Substances Act to protect children from toys and other articles intended for use by children which are hazardous due to the presence of electrical, mechanical, or thermal hazards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MOSS (for himself, Mr. WILLIAM D. FORD, Mr. HALPERN, Mr. CABELL, Mr. FISH, and Mr. KOCH):

H.R. 8303. A bill to amend the Federal Cigarette Labeling and Advertising Act with respect to the labeling of packages of cigarettes, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PEPPER:

H.R. 8304. A bill to amend the Older Americans Act of 1965 to provide for a National Community Senior Service Corps; to the Committee on Education and Labor.

By Mr. PODELL:

H.R. 8305. A bill to establish a National Commission on State Workmen's Compensation Laws to undertake a comprehensive study and evaluation of State workmen's compensation laws, and for other purposes; to the Committee on Education and Labor.

H.R. 8306. A bill to establish a National Commission on Libraries and Informative Science; to the Committee on Education and Labor.

H.R. 8307. A bill to amend title II of the Social Security Act so as to provide that the definition of the term "disability," as employed therein, shall be the same as that in effect prior to the enactment of the Social Security Amendments of 1967; to the Committee on Ways and Means.

By Mr. POLLOCK:

H.R. 8308. A bill to amend the Alaskan Statehood Act, Public Law 85-508, July 7, 1958, 72 Stat. 339, to provide for additional time for the State of Alaska to select public lands; to the Committee on Interior and Insular Affairs.

By Mr. PUCINSKI:

H.R. 8309. A bill to amend title 38, United States Code, to provide for the payment of pensions to veterans of World War I; to the Committee on Veterans' Affairs.

By Mr. QUILLEN:

H.R. 8310. A bill to exempt from the anti-trust laws certain joint newspaper operating arrangements; to the Committee on the Judiciary.

H.R. 8311. A bill to amend the Internal Revenue Code of 1954 to increase from \$600 to \$1,200 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemptions for a dependent, and the additional exemptions for old age and blindness); to the Committee on Ways and Means.

By Mr. RANDALL:

H.R. 8312. A bill to amend title 13, United States Code, to limit the categories of questions required to be answered under penalty of law in the decennial censuses of population, unemployment, and housing, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 8313. A bill to expedite the interstate planning and coordination of a continuous Lewis and Clark Trail Highway; to the Committee on Public Works.

By Mr. REUSS (for himself, Mr. BRADEN, and Mr. HECHLER of West Virginia):

H.R. 8314. A bill to encourage the involvement of youth in federally financed programs and projects; to the Committee on Education and Labor.

By Mr. RHODES:

H.R. 8315. A bill to amend chapter 61 of title 18, United States Code, relating to lotteries to exempt deer-hunting contests; to the Committee on the Judiciary.

By Mr. RIEGLE (for himself, Mr. ASHLEY, Mr. BINGHAM, Mr. BROWN of Michigan, Mr. BUCHANAN, Mr. BYRNE of Pennsylvania, Mr. COLLINS, Mr. CRAMER, Mr. EDWARDS of California, Mr. FRIEDEL, Mr. GONZALEZ, Mr. HALPERN, Mr. HICKS, Mr. HORTON, Mr. HOSMER, Mr. HOWARD, Mr. HUNGATE, Mr. KLUCZYNSKI, Mr. LEGGETT, and Mr. McCLOSKEY):

H.R. 8316. A bill to amend chapter 55 of title 10 of the United States Code to extend to mentally retarded or physically handicapped dependents of certain members and former members of the uniformed services the special care now provided to similarly afflicted dependents of members on active duty; to the Committee on Armed Services.

By Mr. RIEGLE (for himself, Mr. McCLOSKEY, Mr. MCKNEALLY, Mr. MIKVA, Mr. OTTINGER, Mr. PODELL, Mr. POLLOCK, Mr. QUINN, Mr. RAILSBACK, Mr. ROSENTHAL, Mr. ROTH, Mr. STOKES, Mr. TAFT, Mr. WHALEN, Mr. WHITEHURST, and Mr. BOB WILSON):

H.R. 8317. A bill to amend chapter 55 of title 10 of the United States Code to extend to mentally retarded or physically handicapped dependents of certain members and former members of the uniformed services the special care now provided to similarly afflicted dependents of members on active duty; to the Committee on Armed Services.

By Mr. ROSTENKOWSKI:

H.R. 8318. A bill to amend the Internal Revenue Code of 1954 to permit a taxpayer who rents his home or apartment to deduct all or part of his rent payments; to the Committee on Ways and Means.

By Mr. ST. ONGE:

H.R. 8319. A bill to amend the Internal Revenue Code of 1954 to extend the head of household benefits to all unmarried widows and widowers and to all individuals who have attained age 35 and who have never been married or who have been separated or divorced for 3 years or more; to the Committee on Ways and Means.

H.R. 8320. A bill to establish a Small Tax Division within the Tax Court of the United States; to the Committee on Ways and Means.

By Mr. SIKES:

H.R. 8321. A bill to change the definition of ammunition for purposes of chapter 44 of title 18 of the United States Code; to the Committee on the Judiciary.

By Mr. STAGGERS:

H.R. 8322. A bill to amend the Federal Aviation Act of 1958 to make it unlawful for any person not an air carrier to acquire control of an air carrier unless the Civil Aeronautics Board determines that such person is engaged primarily in the business of transportation or a related business; to the Committee on Interstate and Foreign Commerce.

H.R. 8323. A bill to amend the Federal Aviation Act of 1958 to make it unlawful for any person to acquire control of an air carrier without the approval of the Civil Aeronautics Board, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ZWACH:

H.R. 8324. A bill to assure the purity and quality of all imported dairy products for the purpose of promoting the dairy industry and protecting the public health; to the Committee on Agriculture.

By Mr. BIAGGI:

H.R. 8325. A bill to provide for the issuance of a special postage stamp as a tribute to the effective services of homing pigeons for the Armed Forces of the United States in World War I, World War II, and the Korean conflict; to the Committee on Post Office and Civil Service.

By Mr. DENT:

H.R. 8326. A bill to provide that household appliances be conspicuously marked to show the foreign country of origin, and for other purposes; to the Committee on Ways and Means.

By Mr. GARMATZ:

H.R. 8327. A bill to increase the amount authorized for the acquisition of land in Maryland under the Endangered Species Preservation Act of October 15, 1966; to the Committee on Merchant Marine and Fisheries.

By Mr. KEITH (for himself, Mr. BROOKS, Mr. CLARK, Mr. ST. ONGE, Mr. POLLOCK, Mr. MORTON, and Mr. LEGGETT):

H.R. 8328. A bill to amend the Maritime Academy Act of 1958 to require repayment of amounts paid for the training of merchant marine officers who do not serve in the merchant marine or Armed Forces; to the Committee on Merchant Marine and Fisheries.

By Mr. JACOBS:

H.J. Res. 521. Joint resolution authorizing the President to proclaim annually the week including February 14 (the birthday of Frederick Douglass) as "Afro-American History Week"; to the Committee on the Judiciary.

By Mr. PEPPER:

H.J. Res. 522. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. BROWN of California (for himself, Mr. BUTTON, Mr. CONYERS, Mr. DADDARIO, Mr. GONZALEZ, Mr. HAWKINS, Mr. KASTENMEIER, Mr. LEGGETT, Mr. VAN DEERLIN, Mr. YATRON, and Mrs. CHISHOLM):

H. Con. Res. 156. Concurrent resolution on the arms race in the Middle East; to the Committee on Foreign Affairs.

By Mr. BROWN of California (for himself, Mr. BUTTON, Mr. CONYERS, Mr. DADDARIO, Mr. GONZALEZ, Mr. HAWKINS, Mr. KASTENMEIER, Mr. LEGGETT, Mr. YATRON, and Mrs. CHISHOLM):

H. Con. Res. 157. Concurrent resolution on a Commission for Economic Development of the Middle East; to the Committee on Foreign Affairs.

By Mr. CELLER:

H. Con. Res. 158. Concurrent resolution recognizing the 26th anniversary of the Warsaw ghetto uprising; to the Committee on Foreign Affairs.

By Mr. BINGHAM:

H. Res. 296. Resolution to abolish the Committee on Internal Security and enlarge the jurisdiction of the Committee on the Judiciary; to the Committee on Rules.

By Mr. HELSTOSKI:

H. Res. 297. Resolution to abolish the Committee on Internal Security and enlarge the jurisdiction of the Committee on the Judiciary; to the Committee on Rules.

By Mr. PODELL:

H. Res. 298. Resolution to abolish the Com-

mittee on Internal Security; to the Committee on Rules.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO:

H.R. 8329. A bill for the relief of Francesco Davi; to the Committee on the Judiciary.

H.R. 8330. A bill for the relief of Francesco Gammata; to the Committee on the Judiciary.

H.R. 8331. A bill for the relief of Santo Gammata; to the Committee on the Judiciary.

By Mr. BRASCO:

H.R. 8332. A bill for the relief of Mrs. Calogera Carollo and Raffaella Carollo; to the Committee on the Judiciary.

H.R. 8333. A bill for the relief of Giacomo Mangano; to the Committee on the Judiciary.

H.R. 8334. A bill for the relief of Carlo Randazzo; to the Committee on the Judiciary.

H.R. 8335. A bill for the relief of Giuseppe and Grazia Semeraro; to the Committee on the Judiciary.

H.R. 8336. A bill for the relief of Giuseppe Vallone, and his wife, Carmela, and their children, Rosaria, Maria, and Salvador; to the Committee on the Judiciary.

By Mr. BURKE of Florida:

H.R. 8337. A bill to authorize and direct the Secretary of the Treasury to cause the vessel *Moby Dick II*, owned by Richard R. Campbell, of Hollywood, Fla., to be documented as a vessel of the United States with coastwise privileges; to the Committee on Merchant Marine and Fisheries.

By Mr. CAREY:

H.R. 8338. A bill for the relief of Theilma Enriquez; to the Committee on the Judiciary.

H.R. 8339. A bill for the relief of Mrs. Moh Cheng Yuen Yuan; to the Committee on the Judiciary.

By Mrs. CHISHOLM:

H.R. 8340. A bill for the relief of Martin Foster; to the Committee on the Judiciary.

By Mr. CORDOVA:

H.R. 8341. A bill for the relief of Dr. Francisco Dominguez Lopez; to the Committee on the Judiciary.

By Mr. DELANEY (by request):

H.R. 8342. A bill for the relief of Marie Therese Le Gallou Clerambault; to the Committee on the Judiciary.

H.R. 8343. A bill for the relief of Mario Ocampo-Ramirez; to the Committee on the Judiciary.

H.R. 8344. A bill for the relief of Victor del Rosario, Cynthia del Rosario, and Vernon

del Rosario; to the Committee on the Judiciary.

By Mr. FALLON:

H.R. 8345. A bill for the relief of Ancla Machan Apostol; to the Committee on the Judiciary.

H.R. 8346. A bill for the relief of Carlota de Veyra; to the Committee on the Judiciary.

H.R. 8347. A bill for the relief of Nilda R. de Castro; to the Committee on the Judiciary.

H.R. 8348. A bill for the relief of Erlinda R. Manzano; to the Committee on the Judiciary.

By Mr. HELSTOSKI (by request):

H.R. 8349. A bill for the relief of Antonio Calascibetta; to the Committee on the Judiciary.

H.R. 8350. A bill for the relief of Abdel Qader Shihadeh; to the Committee on the Judiciary.

By Mr. McCLOSKEY:

H.R. 8351. A bill for the relief of Edith C. H. Yang and three children, Julia Chen, Dorothy Chen, and Samuel Chen; to the Committee on the Judiciary.

By Mr. McKNEALLY:

H.R. 8352. A bill for the relief of Helene Bihart; to the Committee on the Judiciary.

H.R. 8353. A bill for the relief of Alfredo Federico Pizzi, Lidia Palmira Pizzi, and Lawrence Pizzi; to the Committee on the Judiciary.

By Mr. O'NEILL of Massachusetts:

H.R. 8354. A bill for the relief of Joao Crespo; to the Committee on the Judiciary.

H.R. 8355. A bill for the relief of Rita Maria da Silva Costa Bettencourt and her minor children, Victor Manuel Costa Bettencourt da Silva and Mario Costa Bettencourt da Silva; to the Committee on the Judiciary.

H.R. 8356. A bill for the relief of Mario DeNicola; to the Committee on the Judiciary.

By Mr. PEPPER:

H.R. 8357. A bill for the relief of Federal Food Service, Inc., and Ira Geiber Food Service, Inc.; to the Committee on the Judiciary.

H.R. 8358. A bill for the relief of Jephtha P. Marchant and Joseph A. Perkins; to the Committee on the Judiciary.

By Mr. RHODES:

H.R. 8359. A bill for the relief of Sein Lin; to the Committee on the Judiciary.

By Mr. WIGGINS:

H.R. 8360. A bill for the relief of Roland S. Uybo; to the Committee on the Judiciary.

## PETITIONS, ETC.

Under clause 1 of rule XXII,

72. The SPEAKER presented a petition of Josef Theissig, Eicherscheid, Germany, relative to redress of grievances, which was referred to the Committee on the Judiciary.

## EXTENSIONS OF REMARKS

NOW IS THE TIME FOR ALL GOOD CITIZENS TO COME TO THE AID OF THEIR COUNTRY

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1969

Mr. LONG of Maryland. Mr. Speaker, on November 7, 1968, Mr. James E. Merna, Maryland State commandant of the Marine Corps League, was the guest speaker at the 52d semiannual meeting of the Prince Georges County Federation of Women's Clubs in Cheverly, Md. Under unanimous consent I submit Mr. Merna's most interesting address, and an article describing it, for inclusion in the RECORD, as follows:

### MARINE LEAGUE OFFICIAL URGES MORE PATRIOTISM

James E. Merna, Maryland state commandant of the Marine Corps League, told the Prince Georges County Federation of Women's Clubs last Thursday that "Now, more than ever before, is the time for all good citizens to come to the aid of their country."

Merna said that "never before in the long history of our great nation has it been more important for Americans to stand up and be counted—for us to stand as firm at home as we expect our men in uniform to stand abroad."

Merna cited as "disturbing" the problems of "rampant crime, violence in the streets, frequent burning of the American flag and draft cards, open espousal of our enemies, vile contempt for our leaders and anarchistic attacks on all our institutions."

These are not "simply problems that we read about in the papers or watch on television," Merna said. He cited instances of draft

record burning and disrespect for the American flag in nearby counties.

Merna had sharp criticism for the "New Left movement" at the University of Maryland and for its major organization, Students for a Democratic Society (SDS).

"While relatively new, already SDS has done much to tension on the campus," Merna stated. He mentioned instances where SDS members interfered with military recruiters, sponsored student strikes and stirred up student dissatisfaction with the university faculty.

On the credit side, Merna lauded Prince Georges County's outstanding veterans, such as Marine Capt. James A. Graham of Forestville, who was recently posthumously awarded the Congressional Medal of Honor; the 61 county residents killed in Vietnam; State Sen. Edward T. Conroy of Bowie, who lost a limb and won the Silver Star in Korea; and Butch Joeckel of Colmar Manor, who lost